

A Generation Free of Conscription / 'Ivy Leaguers and Street Kids' Served Together

The Military Draft - U.S. Feels Impact of Its Absence

By Thomas W. Lippman
Washington Post Service

WASHINGTON — In the sultry days of late summer a quarter century ago, an apprentice plumber from California named Dwight Elliott Stone was reluctantly making history of a sort. He was completing basic training in the U.S. Army as the last man drafted.

With his induction on June 30, 1973, mandatory military service and conscription ended for American men as the United States abolished the draft after the country withdrew from the Vietnam War.

Since then, a generation of American men has come of age without facing the prospect that the military would order them out of their homes and schools and into uniform for two years or more.

They have been spared the choices that their fathers and grandfathers faced: Wait to be drafted or enlist in hopes of a better assignment? Join the Peace Corps or become a fireman to postpone and perhaps avoid induction? Marry now or wait? Go to graduate school or get the service obligation over with?

All that ended with the end of the draft. President Richard Nixon came into office in 1969 supporting a switch to an all-volunteer force, and the need for conscripts dwindled as he reduced the U.S. involvement in Southeast Asia. Only 646 men were drafted in 1973.

Today, young men still must register with the government's Selective Service system when they turn 18 — just in case. But in the absence of a major war, a renewed draft is unlikely.

The volunteer armed forces of today are different organizations from those of 1973: smaller, better educated, more technologically advanced and much more dependent on women to fill essential jobs.

Those impacts on the military have been well-documented. But scholars are also trying to assess the effects of the end of the draft on politics, government, society, race and even literature.

Today, government officials and scholars often cite three legacies of the demise of the draft: the gap between civilian lawmakers and the military, the loss of the leveling social influence and the sense of service it imposed, and the impact of abolishing the draft on the poorest Americans.

"I appreciate that the all-volunteer force has been very successful," said Senator John McCain, Republican of Arizona, an admiral's son who was a navy pilot and a prisoner of war in Vietnam. "But we are raising a generation of not only leaders but middle-income Americans who have never served their country."

"I worry about a greater estrangement, a greater distancing between the Congress, traditional protectors of the military, and the military itself. And I worry about a lack of appreciation for the rigors of military life," Mr. McCain said.

Some analysts believe the military — especially the officer corps — is becoming more politically conservative and more attuned to the religious right as the armed forces become less a reflection of the nation as a whole. Others worry more about losing the military's role as a mixing bowl of young people from different backgrounds.



Elvis Presley, heading for army duty in Europe. 'We are raising a generation of not only leaders but middle-income Americans who have never served their country.'

"The leveling factor, with Ivy Leaguers and street kids together, was valuable in terms of broadening and widening the experience of American youth in contact with people of different class, religion and ethnicity," said Richard Kohn, chairman of the peace, war and defense program at the University of North Carolina.

In Congress, a majority of members now have no military experience. In the House, the proportion of members who were a uniform has declined from 40 percent five years ago to 30 percent. In the Senate, the percentage went down from 61 percent to 48 percent.

There are now more women than men in the Peace Corps, in part because men no longer need to seek shelter from the draft.

In the years between the Korean and Vietnam wars, 60 percent of black men served in the military, while today only 8 percent do so, according to Charles Moskowsky, a specialist in military-civilian relations at Northwestern University.

And the years since have seen a steady decline in interest in the military among young people. In 1990, when students born in 1973 were high school juniors, 32 percent of the young men and women surveyed in the Pentagon's annual "Youth Attitude Tracking Survey" expressed some desire to join the military. In 1993, that figure was down to 25 percent and last year it was 12 percent.

According to Mr. Moskowsky and others, including Julius Becton Jr., a retired general and former head of Washington, D.C., schools, it is also possible that the end of conscription meant a loss of opportunity for inner-city youths, who are no longer plucked from their neighborhoods and thrust into an institution that demands discipline and learning.

Through most of its history, the United States had con-

scription only in wartime. But after Pearl Harbor, the draft existed almost continuously for more than 30 years.

Conscription was abolished briefly as the nation demobilized after World War II but was reinstated by Congress in 1948. Between then and 1973, 4.2 million men were drafted.

Millions more, facing the prospect of certain induction, volunteered or joined the Reserve Officers Training Corps, lengthening their active-duty time but serving as officers. Many joined the Reserves or National Guard, cutting active-duty time to six months but extending their service liability to six years.

Willie Mays was drafted after his rookie year with the New York Giants and missed the next two baseball seasons. Elvis Presley was drafted and sent to Germany.

Muhammad Ali, then known as Cassius Clay, was stripped of his heavyweight boxing title for refusing to be inducted because of his opposition to the Vietnam War. His conviction for draft evasion was overturned by the Supreme Court.

In basic training, draftees and volunteers served together. Men of every racial, economic, educational and geographic background were scooped up and turned into soldiers about eight weeks under drill sergeants who did not permit any attention deficit.

Ivy Leaguers — including the young Al Gore — and high school dropouts alike learned to march in step and on cadence. Barracks life was crude and crowded, language was vulgar and pay was minimal.

Especially during the Vietnam War, the draft — or opposition to it — was the defining political experience for many young men. Go or resist? Flee the country? Demonstrate and burn draft cards?

As draft calls increased during the Vietnam buildup of the late 1960s, many young men with wealth or connections — including Bill Clinton — contributed to the politicizing of the draft by finding ways to avoid military service. They stayed in school until they reached the age of 26, beyond draft age; took shelter in a locally protected job as a teacher or police officer, or found a safe, stay-at-home National Guard unit, the route chosen by Dan Quayle, the former vice president.

Mr. Moskowsky, who was drafted right after his senior year at Princeton, says military service does matter in Congress "because if you never served, you become either hostile or obsequious to the military."

But there appears to be no pattern of leadership or political behavior that can be directly related to whether an individual officerholder has military experience.

President Clinton's avoidance of the draft, for example, was an issue in his first campaign. But he beat one war hero, George Bush, in 1992 and another, Bob Dole, in 1996.

Jimmy Carter was an officer on a nuclear submarine, but his presidency was undone at least in part by a botched military raid to free U.S. hostages in Tehran.

"There's no easy connection," said Adam Yarmolinsky, author of "The Military Establishment."

If politicians had military experience, they might be more in favor of active intervention abroad, or they might be less, he said. Also, having had experience "as an ordinary GI" is nothing like having had experience as a three-star senior officer, he added.

Truckers Protest; EU May Order Limit on Hours

By Barry James
International Herald Tribune

BRUSSELS — As truck drivers staged a disruptive day of protest across much of Europe, the European Commission said Tuesday it would introduce a bill to restrict truckers' workweeks to an average of 48 hours unless employers and unions reached an accord by the end of September.

The drivers circled trucks into blockades at several border crossings to dramatize their demand for better working conditions and fewer hours.

The blockades held up freight traffic at several points, but in most cases the truckers allowed private automobiles to pass.

Drivers in Belgium, Germany, Spain, Italy and Portugal joined the protest. The most militant actions were in France, where trucks have twice blockaded the nation's highways in the last two years, creating havoc.

The French unions are concerned that a full deregulation of the road haulage market in the European Union on July 1 will undermine the gains they achieved in their strike last year, exposing them to even more competition in a business that, by many estimates, is already cutthroat.

The deregulation means that trucks from any European Union member country can pick up and deliver loads in France or any other EU nation.

The French truckers blockaded frontier crossing points into Belgium, Germany, Italy, Luxembourg, Spain and Switzerland and also held up traffic at the English Channel.

The strike was organized as a global event by the London-based International Transport Workers' Federation.

It said truckers in many parts of the world, including the United States, were expected to hand out leaflets drawing attention to their long hours behind the wheel.

The federation asserts that long hours are dangerous for the truckers and other road users.

"The road transport industry is a dangerous place to be; there is the equivalent of the Swissair tragedy every month," said Danny Bryan of the British Transport and General Workers Union. He was referring to the airliner crash last week into the Atlantic off Canada, in which 229 passengers and crew were killed.

Rene Duham, a spokesman for the Force Ouvriere union in France said that despite gains last year, many French truck drivers were obliged by their employers to work more than 60 hours a week, causing dangerous fatigue.

"There is a European Union law on working hours," he said. "We want it to be properly implemented."

In fact, truckers form the largest group excluded from the EU's Working Time Directive, enacted in 1993, which legislates a maximum 48-hour workweek for most workers.

The European Commission originally called for all workers to be covered by the directive. But under pressure from employers organizations, governments excluded several sectors, including transport.

The commission, the EU's executive, said it hoped employers and unions could reach a Europe-wide agreement to extend the directive to transport workers at a meeting Sept. 18.

Neil Kinnock, the commissioner for social affairs, said the commission "recognizes the strength of feeling behind this current protest."

Barbara Nolan, a commission spokeswoman, said the proposals would include a demand for an average workweek of 48 hours for all transport workers — including adequate time for loading and unloading freight or supervising the boarding and disembarking of passengers, cleaning and maintaining vehicles, carrying out safety inspections and doing paperwork.

She said the commission proposals would allow drivers to work up to 60 hours a week provided they did not exceed an average of 48 hours in any four-month period.

If adopted, she said, the proposals would become European law applicable at national level in every member country.

Swissair Jet's Final Data May Be Lost

By Don Phillips
and Steven Pearlstein
Washington Post Service

HALIFAX, Nova Scotia — Investigators probing the cause of the crash of Swissair Flight 111 said that the flight-data recorder recovered from the sea appeared to contain a wealth of useful data but none from the crucial minutes as the plane began its rapid descent into the waters of the North Atlantic.

Vic Gerden, chief investigator for the Transportation Safety Board of Canada, said the initial reading from the computer chips inside the flight-data recorder showed no readings after the plane descended below 10,000 feet (3,000 meters) — about the altitude when the pilot declared an emergency to air traffic controllers, his last radio

transmission before the MD-11 jetliner crashed Wednesday night, killing all 229 persons on board.

The "black box" recording ended at about the same time as the plane's radar transponder quit, five to six minutes before the plane hit the water.

Up to that point, "there is a good likelihood we will have good data," Mr. Gerden said, adding there is now a "strong possibility" investigators will find a probable cause.

The discovery, made after the first of two crucial flight recorders was unsealed at the safety board's laboratories in Ottawa, added further evidence that the plane may have lost electrical power as the cockpit crew was maneuvering the plane to make an emergency landing at Halifax International Airport.

On Monday, divers also reported lo-

cating signals from the second key piece of evidence — the cockpit voice recorder — near where the data recorder was retrieved. But bad weather forced suspension of the search late Monday, and a forecast of winds from the southeast of up to 30 knots — about 35 mph — led the Canadian Navy to suspend operations until at least Wednesday morning.

The cockpit voice recorder contains the last 30 minutes of cockpit conversations and sounds, while the flight-data recorder contains a detailed 25-hour history of more than 100 aircraft movements, engine condition, control inputs and systems such as the air conditioning, cabin and lavatory smoke detectors and air conditioners.

The chief superintendent of the Royal Canadian Mounted Police, Steve Duncan, said that video shot by underwater cameras had shown human remains, and the chief investigator said additional resources had been brought in to help speed their recovery. But out of sensitivity to the relatives of the victims, the chief investigator declined to make public further details about the number of bodies or whether they were largely intact.

Many of the relatives and friends began leaving Halifax on Monday, knowing it could be months before remains are identified and returned to them for burial. Special charter flights have been scheduled daily to New York and Switzerland and are expected to continue through the week, even as some relatives are only now arriving to begin the process of receiving briefings on the investigation and visiting the crash site off Peggy's Cove.

The giant rocks around the lighthouse at Peggy's Cove are now strewn with bouquets and wreaths left by family members and local residents in memory of the 229 passengers and crew who died as the Swissair jet attempted to negotiate an emergency landing at Halifax International Airport.

Although only two Canadians were on the flight, bound from New York to Geneva, the entire country seems to have embraced its role as rescuer, comforter and investigator of the tragedy.

On Wednesday, Prime Minister Jean Chretien is scheduled to head the list of dignitaries at a memorial service at Peggy's Cove.

TRAVEL UPDATE

Swiss World Airways Cleared for Takeoff

GENEVA (Reuters) — Swiss World Airways was given government clearance Tuesday to begin operations. It said it would make its inaugural flight from Geneva to Newark Airport near New York, on Thursday.

The final clearance from the Office of Civil Aviation in Bern came almost nine months after SWA, set up in 1996 with financial support from the Geneva City Council and private investors, had originally planned to make its maiden journey. To win approval, SWA had to demonstrate that it had a sound financial basis enabling it to maintain operations for at least a year and that a high level of maintenance was assured.

The airline, which says it does not aim to be a competitor for the national flag carrier Swissair, has only one plane: a Boeing 767 with 160 seats leased from an Australian company. It hopes to have more planes soon.

Starting Thursday, the airline will operate six flights a week between Geneva's Cointrin International Airport and Newark International.

Air France began its third weekly flight between Paris and Shanghai. The flight leaves Paris on Wednesdays and returns from Shanghai on Thursdays, complementing existing flights that leave the French capital Mondays and Tuesdays and return the following days. (AFP)

WEATHER

Forecast for Thursday through Saturday, as provided by AccuWeather.

| Europe | | | | Asia | | | |
|--------------|-------|------|-----|--------------|-------|------|-----|
| City | Today | High | Low | City | Today | High | Low |
| Algeria | 21/20 | 21 | 20 | Almaty | 20/18 | 20 | 18 |
| Amsterdam | 19/18 | 19 | 18 | Bangkok | 30/27 | 30 | 27 |
| Antwerp | 18/17 | 18 | 17 | Beijing | 20/17 | 20 | 17 |
| Athens | 20/19 | 20 | 19 | Bombay | 29/27 | 29 | 27 |
| Batumi | 20/19 | 20 | 19 | Buenos Aires | 20/18 | 20 | 18 |
| Berlin | 18/17 | 18 | 17 | Calcutta | 29/27 | 29 | 27 |
| Birmingham | 18/17 | 18 | 17 | Chengdu | 20/18 | 20 | 18 |
| Bombay | 29/27 | 29 | 27 | Colombo | 29/27 | 29 | 27 |
| Boston | 18/17 | 18 | 17 | Dhaka | 29/27 | 29 | 27 |
| Buenos Aires | 20/18 | 20 | 18 | Hong Kong | 28/26 | 28 | 26 |
| Burgas | 18/17 | 18 | 17 | Jaipur | 29/27 | 29 | 27 |
| Cardiff | 18/17 | 18 | 17 | Kobe | 20/18 | 20 | 18 |
| Cairo | 29/27 | 29 | 27 | London | 18/17 | 18 | 17 |
| Calcutta | 29/27 | 29 | 27 | Los Angeles | 20/18 | 20 | 18 |
| Chengdu | 20/18 | 20 | 18 | Madrid | 18/17 | 18 | 17 |
| Colombo | 29/27 | 29 | 27 | Moscow | 18/17 | 18 | 17 |
| Dhaka | 29/27 | 29 | 27 | New Delhi | 29/27 | 29 | 27 |
| Hong Kong | 28/26 | 28 | 26 | Osaka | 20/18 | 20 | 18 |
| Jaipur | 29/27 | 29 | 27 | Perth | 20/18 | 20 | 18 |
| Kobe | 20/18 | 20 | 18 | Phnom Penh | 29/27 | 29 | 27 |
| London | 18/17 | 18 | 17 | Rangoon | 29/27 | 29 | 27 |
| Los Angeles | 20/18 | 20 | 18 | Singapore | 29/27 | 29 | 27 |
| Madrid | 18/17 | 18 | 17 | Sri Lanka | 29/27 | 29 | 27 |
| Moscow | 18/17 | 18 | 17 | Taipei | 20/18 | 20 | 18 |
| New Delhi | 29/27 | 29 | 27 | Tokyo | 20/18 | 20 | 18 |
| Osaka | 20/18 | 20 | 18 | Vientiane | 29/27 | 29 | 27 |
| Perth | 20/18 | 20 | 18 | | | | |
| Phnom Penh | 29/27 | 29 | 27 | | | | |
| Rangoon | 29/27 | 29 | 27 | | | | |
| Singapore | 29/27 | 29 | 27 | | | | |
| Sri Lanka | 29/27 | 29 | 27 | | | | |
| Taipei | 20/18 | 20 | 18 | | | | |
| Tokyo | 20/18 | 20 | 18 | | | | |
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| BELGIUM | 1.45 | 65 | 55% |
| DENMARK | 1.45 | 65 | 55% |
| FINLAND | 1.45 | 65 | 55% |
| FRANCE | 1.45 | 65 | 55% |
| GERMANY | 1.45 | 65 | 55% |
| GREAT BRITAIN | 1.45 | 65 | 55% |
| HONG KONG | 1.45 | 65 | 55% |
| ISRAEL | 1.45 | 65 | 55% |
| JAPAN | 1.45 | 65 | 55% |
| MALAYSIA | 1.45 | 65 | 55% |
| NETHERLANDS | 1.45 | 65 | 55% |
| NORWAY | 1.45 | 65 | 55% |
| SINGAPORE | 1.45 | 65 | 55% |
| SPAIN | 1.45 | 65 | 55% |
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| USA | 1.45 | 65 | 55% |

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THE AMERICAS

Counterterrorism Experts Fan Out to Study Closing of Some Embassies

By Philip Shenon
New York Times Service

WASHINGTON — Alarmed by evidence that terrorists are planning new attacks on U.S. embassies, the administration has sent counterterrorism experts to diplomatic missions around the world to determine if any are so vulnerable that they should be shuttered immediately, administration officials say.

The officials add that terrorists believed to be associated with Osama bin Laden, the exiled Saudi accused of orchestrating the bombing of two U.S. embassies in East Africa last month, are surveying other embassies in preparation for a new round of attacks.

The officials are convinced that terrorists allied with Mr. bin Laden were prepared last month to bomb the U.S. Embassy in Tirana, Albania.

The embassy was hastily closed on Aug. 14 as a result of intelligence reports showing that it had been selected by Muslim fundamentalists for attack. The officials say the attack was foiled with the help of Albanian security forces.

Last week, the embassy in Kuwait warned Americans that terrorists may be planning attacks there similar to the bombings on Aug. 7 in Nairobi, Kenya, and Dar es Salaam, Tanzania. U.S. embassies in Ghana and Togo were also temporarily closed last week in response to perceived terrorist threats.

Government officials have said that the White House and the State Department are expected to submit a formal request to Congress this week for \$1 billion to \$3 billion to build new embassies to replace those in Kenya and Tanzania, and to pay for emergency security improvements at embassies around the world.

Senior U.S. officials have publicly predicted that Mr. bin Laden will try to retaliate for the U.S. air strike on what the administration has described as his terrorist training camp in Afghanistan. That attack and another in Sudan were ordered by President Bill Clinton in response to the bombings in Kenya and Tanzania, which he blamed on Mr. bin Laden and his followers.

"I think we can predict, with some certainty, that we will see a reaction by bin Laden and his

organization," the FBI director, Louis Freeh, said recently. He termed the threat of attacks on Americans by Mr. bin Laden's followers "about as serious and imminent a threat as I can imagine."

On Friday, the State Department issued a "worldwide caution" to U.S. travelers that "terrorists, including Osama bin Laden, continue their threats against the United States and have not distinguished between military and civilian targets."

Shortly after the East Africa bombings, the administration sent counterterrorism specialists and other investigators from the State Department, the Pentagon and the CIA to inspect embassies and consulates around the world to determine which were most vulnerable.

Administration officials said that the specialists were expected to report back to Washington soon with suggestions on how to tighten security — in some cases by abandoning embassy buildings that are considered especially dangerous and relocating employees.

If an embassy is closed and no other suitable space is available, they said, U.S. diplomats may

be asked to work in mobile metal-framed structures that can be transported from the United States aboard military cargo planes.

"We don't want to repeat Nairobi," said a State Department official.

The embassy in Kenya was built in 1981 on a central thoroughfare in the heart of the capital. Ambassador Prudence Bushnell had considered the location so vulnerable that she had cabled the State Department twice in the months before the bombing to request that the embassy be relocated. The request was denied for budgetary reasons.

The embassy in Tanzania had been considered less vulnerable, both because it is situated outside the center city and because of better design. Neither embassy, however, met current security standards.

State Department officials said the specialists sent abroad last month would probably recommend that at least a handful of embassies and consulates be relocated immediately. Such recommendations, they said, reflect a change in the thinking of security experts within the government.

"Once upon a time, you wouldn't worry so much about embassy security in a nation like Kenya, which has no history of terrorism," an official said. "You worried about places like Beirut and Cairo. The bombings last month proved that we now have to worry about security everywhere. And we do have some embassies that are very exposed."

Administration officials would not identify which embassies or consulates might be shuttered, although several large embassies around the world are well known among U.S. diplomats as especially vulnerable because they are located close to the street, making them easy targets for a car bomb.

Other embassies are known to be at special risk because of their proximity to power plants or gasoline stations.

The embassy in Kuala Lumpur, for example, which was shut down for routine operations last month because of a terrorist threat, is next to a gasoline station. After the East Africa bombings, the embassy paid the owner of the station to shut it down.

Early Read of Starr Report Is Sought

Clinton's Attorney Wants to Draft Rebuttal Before Congress Gets It

By Peter Baker
Washington Post Service

WASHINGTON — President Bill Clinton's personal attorney has asked the independent counsel, Kenneth Starr, for a chance to review any report detailing possible impeachable offenses before it is sent to Congress and has suggested he might challenge the legal legitimacy of such a report.

David Kendall, who has represented Mr. Clinton through years of Mr. Starr's investigations — from the Whitewater land development project in Arkansas to the president's relationship with Monica Lewinsky — said that prosecutors should give him an advance copy of the report so he could have a week to prepare a rebuttal that would be submitted at the same time to the House of Representatives.

"You have had unlimited resources at your command and no practical restriction on your power to investigate every aspect of the president's life for the past four and one half years," Mr. Kendall wrote in a letter addressed to Mr. Starr and his deputy, Robert Bittman. "Elemental fairness dictates that we be allowed to respond to any report you send to the House simultaneously with its transmission."

Nothing in the independent counsel statute directly calls for an advance copy of an impeachment report to be provided to the president targeted. The

Kendall letter was faxed to news organizations Monday evening and no one answered at Mr. Starr's office to provide a response.

Mr. Starr's office has been preparing a report covering more than 300 pages outlining possible offenses that Mr. Clinton may have committed in connection with his affair with Ms. Lewinsky, a former White House intern, and his actions during the Paula Jones sexual harassment lawsuit, such as perjury and obstruction of justice.

White House officials are increasingly worried that the report could be written in such a damning tone and include such salacious sexual details that it would undermine the president's already diminished political support. In recent weeks, Clinton advisers concluded that they needed their own simultaneous reply, to present events in their most innocent light and to provide congressional defenders with ammunition to counter an impeachment drive.

The strategy underscores the unusual nature of the current situation, in which there are few procedural guideposts for anyone involved, including the president, prosecutors and lawmakers. The Clinton camp signaled that it may dispute Mr. Starr's right even to send a report, as it is currently envisioned, in the first place.

The law authorizing Mr. Starr's office says: "An independent counsel shall advise the House of Representatives of

any substantial and credible information" that may "constitute grounds for an impeachment." In his letter, Mr. Kendall contends that that language requires a dispassionate presentation of information, not a report that interprets facts or makes recommendations.

"Nothing in that statute authorizes your office to prepare a 'report' to the House that purports to summarize and analyze evidence," Mr. Kendall wrote. Citing the precedent of Judge John Sirica in reviewing the Watergate special prosecutor's report during the Nixon era before it was sent to Congress, Mr. Kendall proposed that both Mr. Starr and the president submit their drafts to a judge who would review them before passing them on to the House.

Mr. Kendall suggested sending them to "the Chief Judge," presumably a reference to Norma Holloway Johnson, the chief U.S. district judge who has been overseeing the seven-month grand jury investigation into the Lewinsky matter.

If Mr. Starr does not agree to such a procedure, some Clinton advisers have suggested the White House could make a similar request to Congress.

Under this scenario, the White House could ask the chairman of the House Judiciary Committee, Henry Hyde, Republican of Illinois, not to make public any portion of Mr. Starr's report until the president's lawyers had a chance to submit a reply.



SOLIDARITY — The vice president and president of the United Autoworkers, Richard Shoemaker, left, and Steven Yokich, marching with striking Northwest Airlines pilots in the Labor Day parade in Detroit.

Away From Politics

• An abortion clinic in Fayetteville, North Carolina, was extensively damaged in a fire caused by a gasoline bomb, and the back door of a second clinic on the outskirts of the city was scorched in a fire about an hour later. There were no reports of injuries in either fire.

with winds up to 100 miles per hour, killing five people. Two waves of storms caused damage in Connecticut, New Jersey, New York, Pennsylvania and West Virginia. (AP)

that all of the killings appeared to be linked. (Reuters)

• The bodies of six people were found, two in one house, three in another and one in a field, all near each other in suburban Denver. All had been shot. The police in Aurora said that neighbors had heard gunfire and

• A 25-year-old man who jumped a fence to retrieve his wife's hat from a restricted area at Paramount's Great America Theme Park in Santa Clara, California, died after being struck in the head by the leg of a woman whizzing by on a roller coaster. His wife had lost the hat while on the "Top Gun" ride. (AP)

CLINTON: More Criticism From Allies Over Lewinsky Matter

Continued from Page 1

the dishonesty of the president is unacceptable, and we'll see with the report what course the Congress will take."

Such public criticism appears to have taken some of the air out of the White House. It has raised questions as to whether Mr. Clinton can revive his weakened presidency and marshal support to pursue his policy goals, or whether his efforts will be blocked by Republicans whose opposition has turned, in some cases, from respectful to contemptuous, and by some Democrats whose support has gone from reliable to tepid, or worse.

The Senate majority leader, Trent Lott of Mississippi, said Saturday that Clinton

had "eroded the moral dimension of the presidency," and pledged that Congress would fill what he said was a leadership vacuum. Much of Mr. Clinton's legislative agenda could be in jeopardy.

Ms. Boxer's comments Tuesday carried a particular sting because she has a family link to the Clintons: Her daughter is married to a brother of Hillary Rodham Clinton. And they came after another prominent Democrat, Senator Daniel Patrick Moynihan of New York, said that Mr. Clinton had committed impeachable offenses by lying in a deposition in the Paula Jones sexual harassment case.

Mr. McCurry indicated that Mr. Clinton was responding to such criticism with humility and contrition.

"The president has made it

very clear," he said, "that there's nothing anyone can say critically about him that he hasn't said about himself."

Mr. McCurry added, "He respects and understands people who are addressing themselves on the matter."

Ms. Boxer's criticism also raised the prospect of a breach in the strong support from women that Mr. Clinton has enjoyed, possibly to the detriment of Democratic candidates in the Nov. 3 congressional elections.

An opinion survey released Tuesday indicated that the allegations against Mr. Clinton, and his inability to put them to rest in a speech Aug. 17, were in fact likely to lower Democratic support among women and depress turnout among registered Democrats.

The survey, by a Democratic pollster, Celinda Lake, and a Republican, Ed Goetz, found nearly identical numbers of respondents identifying themselves as Republicans and Democrats. But Republicans, by 38 percent to only 32 percent of Democrats, called themselves extremely likely to vote.

The strong support Democrats have enjoyed from women has nearly evaporated, the poll found: Republicans had a 12-point lead among women, while Democrats had only a 4-point lead among men, mostly members of minority groups.

The survey found that Mr. Clinton's problems had raised "moral and religious issues" to the top of voters' concerns, along with crime and drugs, and indicated that Democratic candidates would suffer if they could not shift attention away from the Lewinsky matter.

Against that backdrop, White House strategists say they want to steer the focus back to issues that have resonated strongly with Americans: education, Social Security, health-care reform. Mr. Clinton thus planned to follow the Maryland school visit with a busy week focusing on uncontroversial social issues.

Mr. Clinton's advisers, who met Friday to lay out a Lewinsky strategy, hope the nation is so fed up with the seamy details and allegations that it is more than ready to turn, with him, to a discussion of serious issues.

Yet his problems will intrude throughout the week. On Wednesday, Senator John Ashcroft, Republican of Missouri and chairman of a Judiciary Committee subcommittee, plans to hold a hearing on the question of whether a sitting president can be indicted. The senator is a likely candidate for his party's presidential nomination in 2000.

Welfare Shift Gives States Cash Bonus

By Judith Havemann
Washington Post Service

WASHINGTON — Welfare reform has generated a \$4.7 billion windfall for state governments, handing them unexpected piles of money.

Some of the states have begun to divert the money to help out with new priorities such as education and tax relief.

Others have chosen to put it aside for rainy days, according to a new federal study.

The money results from the swift and steep declines in the nation's public assistance rolls since the reforms took effect two years ago.

Under the new system, states get a fixed amount of federal money no matter how many people are actually on welfare, so those with the sharpest declines find themselves awash in cash.

The fate of this "surplus" has been one of the mysteries of welfare reform.

The question is newly answered, to a degree, by the General Accounting Office in a report being made public Tuesday.

The answer is varied. Many states, half of the 10 surveyed intensively, used their additional funds to improve and strengthen welfare programs.

Others added new welfare services and also augmented the state's general fund with money for other uses.

And some appeared to be saving the money, either purposefully, or because they do not yet know what to do with the bonanza.

Twenty-four states have

left \$1.7 billion due them untouched in the Treasury, carried over from quarter to quarter, but still available for welfare needs.

The existence of this money, nearly \$2 billion in untapped federal funds, has created concern among some state officials that Congress might snatch the money for other programs, the General Accounting Office said.

Representative E. Clay Shaw Jr., Republican of Florida, author of the welfare law, has been adamant that Congress should keep its bargain and leave the money available for welfare.

He has also called upon the states to save money for their future needs.

"This report provides the first official confirmation that states are saving money in their welfare accounts," Mr. Shaw said.

"They will need it when, as will inevitably happen, the

economy stumbles and job creation declines," he added.

The National Governors' Association has tried to head off any attempts to reduce the flow of welfare dollars from Washington.

The governors and the association have said in letters and news releases on Capitol Hill.

The governors agreed to take over welfare, help balance the federal budget, and accept a fixed amount of federal welfare spending over a five-year period.

Any change "is a breach of that agreement," the association said.

States officials say that, although there is more welfare money available relative to the number of recipients, many states are also spending more per recipient.

They note that it takes more money to train people

for work, find them jobs and help provide them transportation and day care.

And many state officials say the cost of finding jobs could increase because they have already found jobs for their most employable clients, and are now facing a group of people who are harder to serve.

Officials in Oregon said the cost of placing a welfare recipient in a job rose from \$1,840 in 1994 to \$3,114 in 1997.

Even so, there is so much money sloshing through welfare accounts that millions of dollars can be diverted to general purposes while increasing spending on each remaining family.

The federal law prohibited states from reducing their state welfare spending by more than 25 percent.

The average decrease has been 22 percent, the General Accounting Office reported.

Parties' Favorite Issues To Be Heard in Senate

WASHINGTON — The Senate is bracing for showdowns starting this week on issues that both parties want to showcase for the November elections, including the minimum wage, campaign finance, health care and anti-missile defenses.

Chances of enacting legislation are slim. But even with time running short for action on appropriations and other critical legislation before the scheduled adjournment of Congress early next month, both parties want to focus attention on issues that will energize their constituencies.

For Democrats, who had planned a policy blitz for this fall, there is a need to try to shift attention from President Bill Clinton's problems and bear down on policy matters that pull Democrats together.

Republicans laid down two of their biggest political markers last Thursday. One called for a vote this week on legislation to require deployment of a national anti-missile defense system as soon as it is technologically feasible. The other scheduled a vote for next week on whether to override Mr. Clinton's veto of legislation to bar what critics describe as "partial birth" abortions.

Earlier this year, a Republican move to force action on the missile defense bill fell one vote short of the 60 needed to cut off a Democratic-led filibuster. While there is no indication of any vote switches, Republicans hope that North Korea's missile test may change a vote or two or, failing that, give more immediacy to the issue in the elections.

Republicans scheduled debate on the abortion bill for Sept. 17, with a vote the next day. The House has voted to override Mr. Clinton's veto, but the Senate fell three votes short of the two-thirds majority

needed to override when it last voted on the issue in 1997.

Democrats will be pushing at least two of their biggest causes this week.

Senator Edward Kennedy of Massachusetts plans to try to add his proposal to raise the hourly minimum wage by \$1, to \$6.15, over the next two years to a bankruptcy overhaul bill scheduled for action this week. The wage initiative is dear to the hearts of organized labor and other Democratic core constituencies.

Legislation to overhaul campaign finance laws, which passed the House but has been blocked in the Senate by a Republican filibuster, is headed for another look in the Senate. The campaign finance bill, which would ban unregulated "soft money" contributions to political parties and regulate some independent advertising, fell eight votes short of the required 60 earlier this year, and no senators have indicated an intention to switch.

McDougal Trial to Start

SANTA MONICA, California — Five years after the case was filed, Susan McDougal, a key figure in the Whitewater investigation, is set to stand trial on charges that she embezzled \$150,000 from the conductor Zubin Mehta and his wife, Nancy.

Mrs. McDougal's attorney sought to postpone the trial, scheduled to begin Tuesday, but California Superior Court Judge Leslie Light ruled last week that the defense had been given enough time to prepare.

Mrs. McDougal, 43, is also charged with tax fraud in connection with her employment as bookkeeper and personal assistant to the Mehtas from 1989 to 1992.

The case is unrelated to the investigation by the independent counsel Kenneth Starr, which has also involved Mrs. McDougal, a former business partner of President Bill Clinton and his wife.

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EUROPE

Russia's Communists: Confused and Divided Players in a Pivotal Role

By Michael Wines
New York Times Service

MOSCOW — These could be heady times indeed for Russia's post-Soviet Communists, if only someone could say what a post-Soviet Communist was.

The Communist Party that controls Russia's Parliament used to crumble under President Boris Yeltsin's glare.

Not now — this week, it holds ransom his choice of Viktor Chernomyrdin as prime minister, threatening to bring the government and perhaps the nation to their knees unless the party regains some of the power it squandered seven years ago.

But beyond capturing power, it is not clear the Communists themselves what is to be done.

Some unreconstructed radicals yearn to oust Mr. Yeltsin's regime and restore the monopolistic control of Soviet days. Some want state control of major industries and banks but would leave part of the private sector untouched. Some are so house-trained that Mr. Yeltsin long ago invited them to join his cabinet.

Even the party leader in the lower house of Parliament, Gennadi Zyuganov, spoke approvingly in a radio interview last month of the anti-crisis program once mounted by Franklin Delano Roosevelt.

"They're struggling between two major ambitions," said Boris Makarenko, deputy director of the Center for



Gennadi Zyuganov at first seemed to sign off on the Chernomyrdin appointment as prime minister, then denounced it, then seemed open to compromise. But on Sunday, he charged that Chernomyrdin "spits at all the Soviet history," and he accused him of seeking his own interests instead of the state's.

Political Technologies, a research organization in Moscow. "One is to become a legitimate part of this political regime and play by the constitutional rules. And the second ambition is to undo this regime and restore the Soviet Communists."

"This is not only a division between factions or fragments of the party," he said, "but inside the soul of each of the members."

As a practical matter, they do not seem right now to have much of a choice. The Communist Party holds more than 30 percent of the seats in the State Duma, twice that of its closest rival, but virtually nobody believes it could win a majority in a presidential election or restore Soviet rule by force. Seventy-four years of misrule left the party with a besmirched name among average citizens that not even the cur-

rent disastrous situation has erased. Its base is middle-aged or elderly, party members of habit rather than ideology, who are dying off in greater numbers with each passing day.

The party casts itself as the voice of the disenfranchised — Russia's boom market, for sure — but even there, powerful men like Alexander Lebed, the former army general and Siberian governor, and the mayor of Moscow, Yuri Luzhkov, have siphoned away loyalists.

That leaves playing by the constitution, and for the moment the party is holding a strong hand. Besides a choice of several cabinet ministers and a voice in economic policy, the Communists' principal demand in the present standoff with Mr. Yeltsin is a rewrite of the Russian Constitution, shifting the nation away from an all-powerful president toward parliamentary democracy.

In a parliamentary democracy, the largest political party has the greatest sway over policy. And for all their

faults, the Communists have the largest and deepest political organization in all of Russia, with branches in the smallest towns, unions and factories.

That backdoor approach to regaining authority could give the Communists real authority in setting Russian policy. On the other hand, this week's brinkmanship could also prove disastrous if Mr. Yeltsin dissolves the Parliament and forces elections that reduce the Communists' plurality — something experts say is entirely possible.

Even if the Communists gain new influence, the question that not even they seem able to answer is what they would do with it.

The party's official program, published on a World Wide Web that Leonid Brezhnev would never have tolerated, states in unambiguously Soviet terms that "the principal struggle between capitalism and socialism under whose mark the 20th century progressed is not resolved."

But then Alexander Kuvayev, a Communist deputy from Moscow, sounded Tuesday more like a Chamber of Commerce initiate: "They say we'll nationalize all private property. That's not true. We'll only nationalize that which was illegally privatized."

"We won't touch apartments, garden plots, small business," he added. "Small business must develop."

Mr. Zyuganov, the Communist leader in the lower house of Parliament, or Duma, first seemed to sign off on Mr. Chernomyrdin's appointment, then denounced it, then seemed open to compromise. But on Sunday he said that Mr. Chernomyrdin "spits at all the Soviet history" and accused him of seeking his own interests instead of the state's.

Russian experts say his back-and-forth only mirrors the party's own confusion.

Far from the look-alike visages of the Khrushchev and Brezhnev eras, the Russian Communists in Parliament count among their ranks a millionaire banker, three cosmonauts, a leading film actor and an instigator of treason charges against the former Communist

leader Mikhail Gorbachev.

Mr. Zyuganov, generally seen as pragmatic, spends much of his time trying to juggle their interests. In particular, he has to tend to the needs of the party's hard core of Soviet holdovers while working closely enough with the government to maintain at least some influence.

The Communists, analysts here say, continue to talk of working within a democratic and capitalist system. But their refusal to throw in the towel on the Soviet experiment, even after Mr. Zyuganov's handy defeat by Mr. Yeltsin in the last presidential election, has helped marginalize them among voters.

Some Communists say they are being true to the faith. "The backbone of the ideology has remained the communist one, and all attempts to impose a social democratic ideology are not acceptable," said Yuri Chukov, a Communist deputy from the depressed coal-mining region of Kemerovo.

Mr. Makarenko, for one, sees some evidence of change. Since the last election, the Parliament's Communists have become less obstructionist and have begun acting more like a democratic opposition, he said. Less noticed is the election, with Communist backing, of some 30 regional governors whose leadership is mostly indistinguishable from more moderate officials. "They're by and large playing by the same rules as the political elite," he said.

Then again, being lumped in with the rest of the elite has its perils as well. Only three weeks ago, the Communists' natural allies — Russia's independent trade unions — said their workers would not cooperate with Mr. Zyuganov and other Communist Duma members who have called for a national day of protest on Oct. 7.

Though Communists control the Parliament, "deputies failed to adopt a single socially significant law in the interests of workers," the head of the unions, Andrei Isayev, told the Interfax news service. "It is shameful to expect hungry people to play as extras in the officials' game under the cover of creating a popular trust of government."

'Real IRA' Vows Permanent Cease-Fire

Pledge by Splinter Group Comes After Bombing in August That Killed 28

By James F. Clarity
New York Times Service

BELFAST — The Roman Catholic terrorist group that killed 28 people in a bomb attack in Omagh three weeks ago said Tuesday that it had permanently ended its campaign of violence.

The statement by the Real IRA, a splinter group of the Irish Republican Army, meant that with one exception, all paramilitary groups in Northern Ireland, Catholic and Protestant, were now observing cease-fires.

The curtailment of violence improved the atmosphere in which the politicians of this predominantly Protestant British province will try to enact the provisions of a peace agreement approved last spring by the Catholic minority and the Protestant majority.

The agreement, which was approved in referendums here and in the Irish Republic to the south, envisions reforms that will give the minority more political power and will give the overwhelmingly Catholic Irish Republic more influence in northern affairs.

The 14-month cease-fire by the main IRA has allowed the peace effort to move forward. But smaller groups, like the Real IRA, continued their violence because they perceived the peace agreement as a sellout of Republican principles because it did not establish a united Ireland, run from Dublin.

"I hope that this is now a complete end to all our violence," said John Hume, the mainstream Catholic leader who initiated the peace effort six years ago in talks with Gerry Adams, the president of the IRA's political arm, Sinn Féin. He said, as he has repeatedly, that it was time to build a new society in a peaceful atmosphere.

"All of us involved in the political process must now dedicate all our energies towards building new political institutions which will be an eternal monument to the victims of our troubles," Mr. Hume said.

Officials here and in Dublin welcomed the Real IRA statement. The group comprises about 50 operatives, including men who were bomb experts for the IRA. The only terrorist group that has not declared a cease-fire is the Con-

tinuity IRA, also an IRA splinter. Officials say the group has not been active in recent months and the police denied a claim by the group that it had attacked a police car last week.

Prime Minister Bertie Ahern of Ireland said of the cease-fire, "This does nothing for the people who were killed in Omagh or for the relatives of the victims."

He said the Irish government would continue to search for the terrorists who planted the 500-pound bomb in Omagh, in the center of the province, on Aug. 15. And he suggested that the government would be helped by the package of new laws the Parliament approved last week, which were designed to make it easier for the police and courts to imprison suspects in terrorist cases.

"I think the cease-fire is to do with the new legislation and the outcry of the people over the atrocity," Mr. Ahern said. Members of the parliamentary opposition in Dublin had asked why, if the new laws changing rules of evidence in favor of prosecutors were needed to control terrorism, they had not been proposed until after the Omagh attack.

BRIEFLY

Yugoslavs Maintain Flights To EU Nations Despite Ban

BELGRADE — The Yugoslav national carrier JAT kept flying to European Union countries despite a EU ban that took effect Tuesday.

Adding to the confusion, Britain announced it could carry out the embargo only after a year because of a 1959 agreement requiring it to give 12 months' notice before canceling flights.

The EU said Sunday that it would prohibit flights by JAT to its 15 member countries in response to the crackdown by Yugoslav and Serbian forces on ethnic Albanians fighting for independence in Serbia's southern Kosovo Province.

JAT said its flights would continue to EU countries until it received an official notification about the ban from each member country. (AP)

Greeks Cite Airspace Violations

ATHENS — Greece complained Tuesday that Turkish warplanes had violated its airspace and international air traffic regulations in areas controlled by Greek civil aviation authorities. Turkey denied the claim.

An air force spokesman, Colonel Kosmas Vouras, said a total of 26 Turkish fighter jets had violated airspace seven times and the Athens flight region 14 times late Monday.

"The allegations are totally untrue," the Turkish Foreign Ministry responded, reporting that its air force was carrying out "its routine activities" within international airspace.

Greece says its national airspace extends to 10 miles but Turkey recognizes only 6, leading to frequent claims of violations by Athens. (AP)

Italy's Kidnap Deals Defended

ROME — Adding fuel to a national debate over how to stop Italy's kidnapping plague, the Italian interior minister has defended prosecutors who promised leaner prisoners terms to mobsters in exchange for help in winning a hostage's freedom.

In an interview published Tuesday in the Rome daily La Repubblica, the minister, Giorgio Napolitano, said that investigators who secured the release last week of a wealthy Milan businesswoman, Alessandra Sgarrella, had acted "within the limits of the law."

The Milan prosecutor, Alberto Nobili, said Sunday that he had negotiated with members of the 'ndrangheta, a Calabrian organized crime syndicate. Mr. Nobili said he had persuaded mobsters to tell what they knew about the kidnapping by pledging to reduce their sentences.

There have been nearly 700 kidnappings in Italy since 1970. Opposition leaders have criticized investigators in the Sgarrella case and called on Mr. Napolitano to tell Parliament how it had been handled. (AP)

Scalfaro Puts Off Moscow Trip

MOSCOW — President Oscar Luigi Scalfaro of Italy has postponed a planned trip to Russia in mid-September, the Kremlin said Tuesday.

Mr. Scalfaro had been expected to visit Moscow from Sept. 13 to Sept. 16 or 17. President Boris Yeltsin paid a state visit to Italy in February. New dates will be arranged in the near future, a spokesman said. (Reuters)

Tax Cut, Then New Tax, Then Rome Apologizes

Reuters

ROME — Finance Minister Vincenzo Visco has apologized to Italians after admitting that reimbursements of a hated Eurotax will be all but canceled out by a new levy.

"The minister has made an unforgettable spectacle of himself," Gianfranco Fini, leader of the far-right National Alliance party, said Tuesday. "First he said that what the opposition was maintaining was colossal foolishness. Now he's had to admit that he is the fool."

"This is a government that continues raising taxes and making a fool of Italians," Mr. Fini added.

The news that rebates of the "tax for Europe" would begin in December turned to fury as Italy's lowest earners realized that their year-end paychecks now seem likely to shrink.

Less than a week ago, Mr. Visco announced that employees and pensioners would get back 60 percent of the Eurotax at the end of 1998. The tax was imposed last year to help whip the economy into shape for monetary union.

But the rightist press began reporting that what the state was refunding with one hand, it was reclaiming with the other, in the form of an extra tax for needy regions.

That meant workers would either take home less than usual in December, or find that their effective tax rebate was far less than expected, the reports said.

Pierferdinando Casini, leader of a centrist party, the Christian Democratic Center, said that his group, part of the opposition center-right Freedom Alliance, would discuss whether to call for a vote of confidence in Mr. Visco.

"If this were a serious country, Minister Visco would already have resigned," Mr. Casini said.

The regions tax was supposed to have been deducted from monthly pay throughout the year. But for reasons that remain unclear, this did not happen.

Taxpayers are to be relieved of the entire sum of the regions tax, equivalent to 0.5 percent of salary. In December, when they are to get back 60 percent of their Eurotax payments.

Note to Readers

The color advertisement appearing below from Swissair was pre-printed prior to the tragic accident last week of Swissair Flight 111. However, because of the pre-printing of this and other color advertisements on following pages, there was no way, physically, to withdraw or replace the airline advertisement in the immediate aftermath of the tragedy. Swissair and the International Herald Tribune hope that readers will understand and not be offended by the publication of the advertisement at this time. We truly regret this unfortunate coincidence.

First, we took her for one of those young managers from Pudong, the industrial satellite just outside Shanghai. But she turned out to be an electronics specialist with a perfect command of English who wanted to talk to our navigator. Shirley, one of our flight attendants, brought her a pot of tea and said something in perfect P'u-t'ung hua. And, suddenly, the sun rose over sea level in row 7.

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INTERNATIONAL

Iranian Forces End Exercises But Will Stay Near Border

Reuters

TEHRAN — Iran announced the end of its 70,000-man military maneuvers near Afghanistan on Monday but said the troops that took part would stay in the tense eastern border area.

The exercises had raised fears of direct conflict between Tehran and the Taliban movement that controls Kabul and most of the rest of Afghanistan.

Although both the government in Tehran and the Taliban movement espouse radical forms of Islam, they are on hostile terms. Tension has risen since the disappearance last month of 11 Iranian diplomats and an Iranian journalist in the northern Afghan city of Mazar-i-Sharif. The city was captured by Taliban forces on Aug. 8.

The London-based human rights organization Amnesty International said that the diplomats were reported to have been killed when Taliban guards entered the Iranian consulate in the city. It accused Taliban of the massacre of thousands of civilians in Mazar-i-Sharif, most of them Shiites from Afghanistan's Hazara ethnic minority. The Iranian regime, which is made up of Shiite clerics, has presented itself as a protector of Shiites worldwide.

Yahya Rahim Safavi, commander of the Revolutionary Guards, said on Iranian television Monday that the maneuvers near the border had been a success.

"In order to reinforce deterrent power against foreign threats, the operating forces will remain in the area," he said. "The Islamic Republic will strongly defend its national interests against foreign threats."

He made no direct reference to the tension between Iran and Taliban.

The elite Revolutionary Guards used live ammunition in the exercises last week, which included air and land operations. They were the largest maneuvers in northeast Iran since the Islamic Revolution in 1979. But the Iranian religious leader, Ayatollah Sayed Ali Khamenei, told the Tehran Times on Sunday that there would be "no confrontation with Taliban."

Hashemi Rafsanjani, the former president of Iran who heads the Expediency Council, which advises Ayatollah Khamenei, said Monday in an interview with the newspaper Ettelaat that Iran was trying to resolve the problem of the missing Iranians "wisely and prudently, in a carefully considered manner."



Mary Robinson, the UN human rights commissioner, right, riding an escalator in Beijing on Tuesday with Gu Xiulan, center, vice president of the All China Women's Federation. The woman on left is unidentified.

UN Official, in Beijing, Hears Blunt Rights Talk

By Michael Laris
Washington Post Service

BEIJING — A group of Chinese legal scholars has given the UN human rights commissioner, Mary Robinson, a blunt, closed-door briefing on the state of freedom and civil rights in China, with one scholar speaking out against the large number of executions here and another obliquely criticizing China's vast labor camp system, participants said.

In a related development, Mrs. Robinson said Monday that a senior Foreign Ministry official told her that the Beijing government intended to sign the UN Covenant on Civil and Political Rights by late November. Acceptance of the rigorous international agreement by China, Mrs. Robinson said, would embody an "immediate obligation to respect and ensure all relevant rights."

The scholars who met with Mrs. Robinson were assembled by the government from the Chinese Academy of Social Sciences, the country's most prestigious research center. In remarks after meeting with them, Mrs. Robinson

said she was pleased by the candor with which the death penalty issue had been discussed. "It's very encouraging and already indicates a commitment to the protection and promotion of human rights," she said.

That such prominent legal scholars would speak so candidly to the top UN human rights emissary on her first day of official meetings here is a sign both of their confidence in China's current political atmosphere and of the intellectual ferment bubbling beneath the surface of Chinese officialdom.

In an interview after the three-hour session, the critic of capital punishment, Hu Yunteng, said he had told Mrs. Robinson that China severely overused the death penalty. "I don't approve of our nation continuing to have so many executions," said Mr. Hu, a senior criminal law researcher at the academy.

Chinese courts sentenced more than 3,000 people to death in 1997, and the majority of them have already been executed, according to Catherine Baber, an Amnesty International researcher based in Hong Kong.

[China executed at least 1,876 people last year, fewer than in 1996 but more than the rest of the world combined, Amnesty International said in a report scheduled for release Wednesday.]

Mrs. Robinson also heard an academy scholar present a relatively balanced discussion of China's "re-education-through-labor" system, which allows the government to sentence people without trial, according to discussion participants.

In her concluding remarks, which reporters were allowed to hear, Mrs. Robinson thanked the scholar for reminding her that there are "administrative procedures that may be harsher than judicial procedures," a distinction central to understanding China's human rights problems.

When Mrs. Robinson arrived here Sunday, a group of 116 political dissidents released a letter calling for her to pressure the Beijing government to dismantle the re-education-through-labor system. It is an important issue because the UN Covenant on Civil and Political Rights calls for the abolition of imprisonment without trial, a demand China may not accept even after it ratifies the agreement, according to a lawyer who took part in the meeting.

The death penalty is one of China's most sensitive human rights topics, and its prominence in the meeting was unexpected, especially since a U.S. human rights activist asserted last week that new Chinese legal procedures had reduced the number of executions.

From UN to Energy Department: All in a Day's Work

By Barbara Crossette
New York Times Service

UNITED NATIONS, New York — For the last few weeks, Bill Richardson has been trying to do two apparently unreconcilable jobs as the Clinton administration's new energy secretary and the government's representative to the United Nations.

That should end Friday when Mr. Richardson — a politician turned diplomat who has been about the most genial envoy this diplomatic hot-house has seen in a generation — resigns his UN assignment. But informally, he said over breakfast early one morning before catching yet another shuttle flight, there is no rupture involved.

"One of the major goals I have is to give the Energy Department more international visibility," he said. "I'm going to do a lot of travel, a lot of retail energy diplomacy, beef up my international department there."

He has new friends to help him. "There are a lot of issues in the energy area that involve the Russians: plutonium disposition, uranium agreements and nuclear safety, nuclear weapons safety," he said. "A lot of the Energy Department relationship is Rus-

sian, and I got to know a lot of the players."

Two years of experience — on Iraq and the Gulf area, the source of much of the oil the United States uses; on the spread of nuclear weapons; on reactor safety; on trying to bring North Korea into an agreement on nuclear energy; on the global climate — can be applied in his new job, he said.

At the United Nations, diplomats who were initially frosty at having a politician — a former Democratic congressman from New Mexico — thrust on them by Washington seem to have come to appreciate a style that is zany by UN standards.

He is known to have referred to a distinguished diplomat as "what's his name" and to have worn khakis and a blazer into the Security Council.

In contrast to Madeleine Albright, who was rushed through the corridors of the United Nations with an important-looking phalanx of protective aides when she represented the United States before becoming secretary of state, Mr. Richardson ambles around, joking in English and Spanish with reporters. The faces of other U.S. diplomats reveal a flicker of panic when he steps up to a microphone.

Twenty-eight nations have lined up to give him farewell dinners. He admits he gets a lot of attention because he is perceived as being close to President Bill Clinton. Ambassadors also know he may be Al Gore's running mate in two years. Also, people genuinely like him.

Still, Mr. Richardson has had a tough tenure. Respect for the United States, which is crippling the organization by withholding its dues, is at an all-time low. Americans are losing good positions within the organization, and Washington may forfeit its General Assembly vote if it falls too far behind in its payments. The chosen replacement for Mr. Richardson, Richard Holbrooke, has not yet been formally presented to the Senate by the White House for confirmation.

In this environment the administration, supersensitive to political swings, has thrown proposals at the Security Council without prior consultation and changed policies without warning, most recently on Iraq.

John Weston, who retired this summer as Britain's representative, pointed to a sudden announcement by Washington early this year that the Security Council would be asked to set up a Cambodian war crimes tribunal.

"It's a bit silly to come out with this one fine day without having thought through the idea," he said. "This requires talking in the corridors. Launching the idea cold is to court problems."

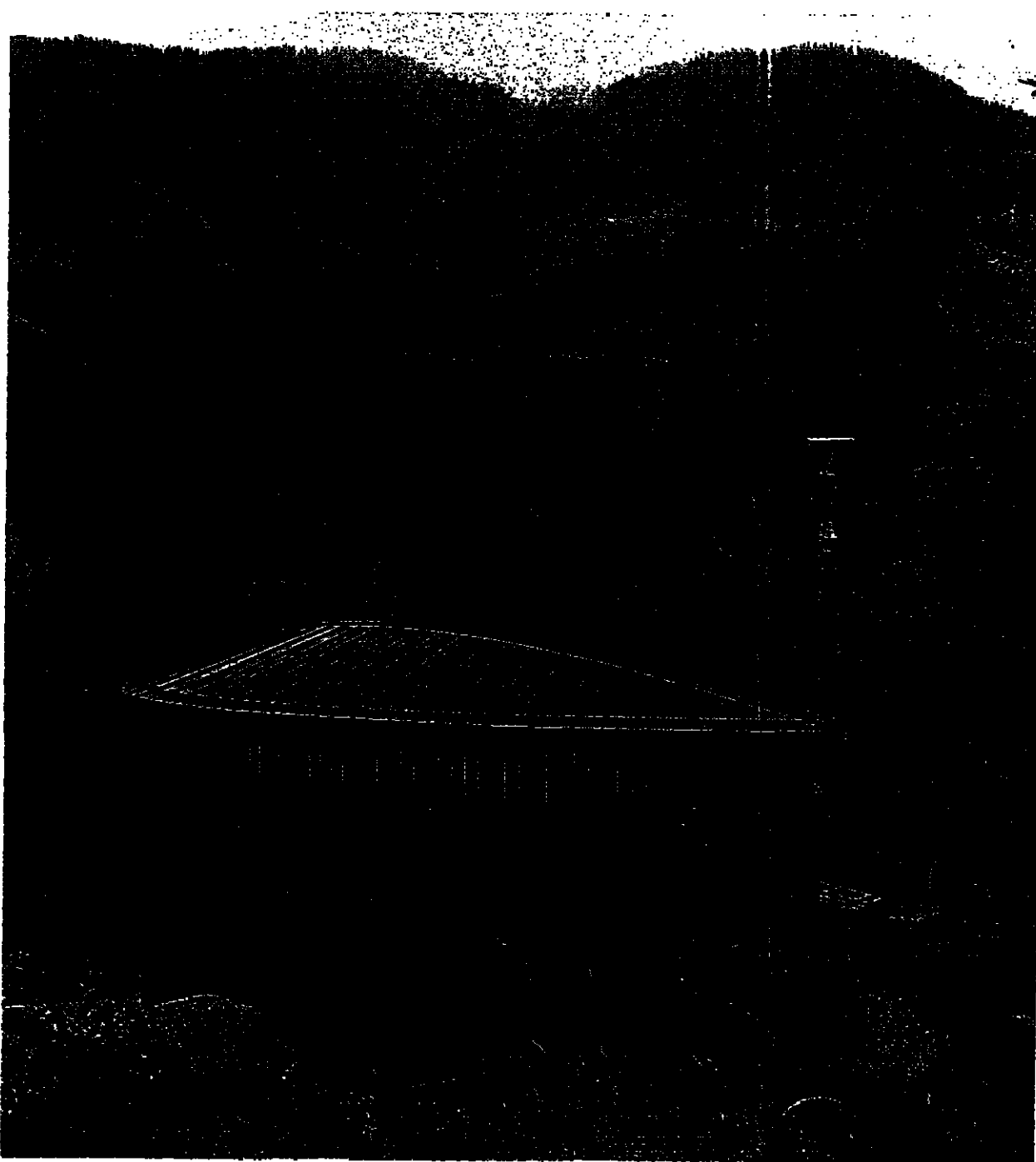
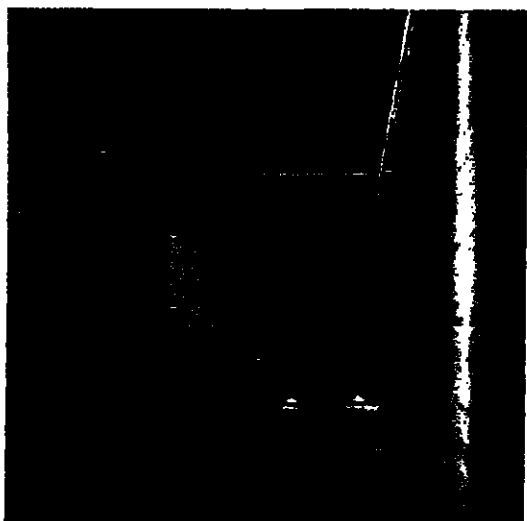
For Europeans now trying to think as one within the European Union, the Lone Ranger behavior of Washington is easy to criticize. Europe's brightest diplomats are often steered into careers in international organizations, and prime ambassadorial assignments like the United Nations do not go to political appointees.

Mr. Richardson says he understands and appreciates this after his experiences.

"The United States needs to better train its diplomats to participate in multilateral fora," he said in diplomatese, "because the multilateral fora for the challenges that lie ahead for the United States are going to be very important: nuclear proliferation, ethnic wars, international terrorism, the plight of women, global climate change, refugees. It would make sense to give American diplomats tours — almost a requirement — to serve in a multilateral framework to learn the give and take of multilateral diplomacy."

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Congratulations to Peter Zumthor, who has been awarded the Carlsberg Architectural Prize 1998.

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The Carlsberg Architectural Prize is worth ECU 200,000, which makes it the largest architectural prize in the world.



Mr Zumthor, 55, who originally trained as a cabinetmaker, is known for incorporating the highest qualities of craftsmanship in his buildings. His works embrace a wide spectrum of shapes and materials.

The thermal baths at Vals, Switzerland, where stone and steam and shafts of light remind us of the thermas of the Ancients.

The little boat-shaped chapel sitting in a field at Siemering, Switzerland, where a coat of shingles provides the visitor with a comforting aroma of wood.

Carlsberg

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ASIA/PACIFIC

Burma Steps Up Arrests of Dissident Party Members

By Thomas Crampton
International Herald Tribune

BANGKOK — Burma's military government widened its crackdown on the opposition Tuesday, detaining a further 110 members of the National League for Democracy, the party said in a statement.

The government has now detained a total of 220 party members since Sunday, following the opposition leader Daw Aung San Suu Kyi's calls to convene a Parliament elected in 1990, the party said. Daw Aung San Suu Kyi's party won the parliamentary election in a landslide victory, but the government has refused to recognize the results.

The highest-ranking United States diplomat in Burma requested a meeting with top government officials Monday to protest the arrests, asking for an immediate release of the

prisoners, the U.S. Embassy spokesman said Tuesday.

The Burmese government said in a statement that convening Parliament would threaten national security and that it had "invited" certain league members to stay at government guest houses.

Diplomats and analysts in Rangoon said that with both sides refusing to compromise, arrests would continue and the crackdown would very likely spread.

"Suu Kyi has taken a do-or-die stance over Parliament this time," one diplomat said. "We're in for a critically tense few weeks."

Since July Daw Aung San Suu Kyi has increased pressure on the military government by making four high profile attempts to break a government-imposed travel ban.

Stopped each time by military roadblocks as she tried to leave the capital, Daw Aung San

Suu Kyi spent up to a week waiting in her car. On one occasion she was forcibly driven back home by military officials.

In recent clandestine speeches broadcast on the Burmese language service of the British Broadcasting Corporation, Daw Aung San Suu Kyi has affirmed her determination to confront the government but has stopped short of calling for mass protests.

Diplomats and analysts said Daw Aung San Suu Kyi's unwavering call to convene Parliament could lead the government to outlaw the National League for Democracy and generalize the crackdown.

"She is clearly gunning for a confrontation that will allow the international community to jump to her defense by imposing further sanctions," one diplomat said. "So far the only sanctions are against investment. They could also add trade and financial sanctions as well

as reducing the level of diplomatic contact." Burma's nascent market economy has been pummeled in the last year by a combination of the regional economic crisis and international condemnation of companies doing business with the regime.

In May 1997, the United States imposed sanctions barring new investment to protest the regime's human rights abuses and on Friday the World Bank announced that following payment defaults it would extend no new loans to the country.

While Burmese authorities are quick to point out that the country survived for decades from the 1960s with virtually no contact with the outside world, diplomats and observers in Rangoon said that by severing links now the regime would have to contend with an angry backlash from people whose expectations of economic development had been raised.

Cambodian Soldiers Destroy Protest Camp

By Seth Mydans
New York Times Service

PHNOM PENH — Without warning, Cambodian troops ripped down a two-week-old protest campsite just after noon Tuesday, then spent the rest of the day chasing stone-throwing mobs through the streets, flailing at them with sticks and firing automatic weapons into the air.

A number of people were wounded, but no deaths or gunshot wounds were reported, although officers said their troops were firing live ammunition.

The destruction of the tent city, which had become home to hundreds of people supporting the losers in the July parliamentary elections, appeared to break an accord reached hours earlier that would have produced a peaceful end to the sit-in.

The government, led by the incumbent strongman and official winner of the election, Hun Sen, also promised that the leader of the protest, Sam Rainsy, would not be arrested. But Mr. Sam Rainsy remained Tuesday under the protection of the United Nations in the Cambodiana Hotel, where he prepared to spend a second night.

After two hand grenades exploded at his residence early Monday, Mr. Hun Sen had ordered the arrest of his opponents and barred them from leaving the country, but the arrest order was later put on hold. One person was killed and several others wounded Monday when soldiers fired into crowds outside the Cambodiana Hotel.

Mr. Hun Sen made no official statement and there was a sense of anarchy in the streets of the capital.

There was shooting, beating, running, shouting from one street to the next as packs of young men with motorbikes taunted the soldiers and entire families leaned from their balconies to watch. But there was no clear aim to the protests.

Although Mr. Sam Rainsy and the royalist party leader, Norodom Ranariddh, have raised hundreds of complaints about election fraud and intimidation, most assessments by foreign and Cambodian analysts

agree that these irregularities were probably not enough to have changed the overall outcome.

The anger that was evident in the streets Tuesday appeared to be less a reflection of electoral loyalties than of the frustrations and brutalities and poverty brought on by Cambodia's unending violence and political feuding.

There was hatred in the eyes of the young man who pulled his T-shirt up to his neck and dared soldiers to shoot him, and hatred in the eyes of the soldiers who chased him, brandishing iron bars and sticks with nails in them.

The sun was at its hottest and people were dozing after a midday meal when about 100 soldiers and riot police officers with helmets, plastic shields and electric-shock batons advanced into the camp that Mr. Sam Rainsy had dubbed "Democracy Square." The troops shot into the air and a fire truck turned a hose on the blue plastic lean-tos. Whacking at the squatters with their rifle butts, the soldiers drove 1,000 or so people away.

Many of those evicted from the camp formed a crowd outside the royal palace. They were augmented by hundreds of jobless young men.

The day's running battles began under the walls of the palace. The soldiers charged, swinging their staves at the stands of fruit sellers. They began to beat a man dressed all in yellow but released him when the rioters hurled stones at them. The soldiers advanced, batting aside the stones with their plastic shields.

The rioters threw containers filled with gasoline, but they were plastic water bottles and simply created small, brief fires on the asphalt.

Then a volley of automatic gunfire broke out and a United Nations official raised his arms, shouting, "Hold it! Stop! Stop it!" Instead, the soldiers began running toward the rioters, some firing their weapons from their hips.

The mobs soon spread out through the city, but by sunset the streets fell silent as scavengers picked among discarded items in the abandoned protest camp.



A riot policeman ordering away a vendor as mob violence spread Tuesday through Phnom Penh.

Indonesia Police Hold Off Students

By Cindy Shiner
Washington Post Service

JAKARTA — Indonesian security forces sealed off streets around Parliament on Tuesday and unraveled coils of razor wire to keep out demonstrators as President B.J. Habibie warned of the prospect of escalating unrest unless the country's economic situation improved.

A few hundred student protesters demanding lower prices for basic foods sat on the main highway leading to Parliament while more than 500 riot police stood guard nearby. Local news reports said two people were injured late Monday as security forces pushed away protesters who had broken down the gate leading to the Parliament grounds.

Student leaders representing more than 35 universities said they had put off a large demonstration set for Tuesday and were trying to maintain the element of surprise to avoid clashes with the police and military.

One student, Jongki Handianto,

said it was imperative to hold the demonstrations randomly, adding: "We have already seen intelligence men on campus, so we have to be very careful."

His concerns echoed fears that characterized the climate under President Suharto, who was forced from office in May after a period of political upheaval and rioting that claimed at least 1,200 lives in Jakarta. Thousands of protesters occupied the Parliament before Mr. Suharto stepped down.

"Everyone's concerned about this and we're watching this closely," a Western diplomat said. "No one knows whether this has legs or what, but it would be difficult just to write it off. The assumption is that it would continue and spread."

Acknowledging that the unrest could continue, Mr. Habibie said, "If our economic problems cannot be solved within a short time, their influence will be felt in other areas."

Students returned to universities last week after a routine break of

several weeks. They vow to press the demands of the poor, who are suffering the worst effects of Indonesia's year-old economic crisis.

Another student, Basri Baco, said: "If Habibie can't bring down prices, then he should step down. We try to articulate the suffering of the lower classes. We're just a moral force."

On Tuesday, about 200 men stood on the sidewalk beside the student protesters near Parliament. The majority said they were unemployed. About 5 million Indonesians were out of work a year ago, while up to 20 million are expected to be jobless by the end of this year.

"We support the students who demand lower prices, because if prices become stable then our lives will be better," said Iman Subay, an oil worker with three children who lost his job last month.

Indonesians find it difficult to make ends meet as they deplete their cash reserves to buy staple foods whose prices are soaring. Rioting has hit several towns in recent weeks.

2 More Are Poisoned in Japan

TOKYO — Two men were hospitalized Tuesday after drinking tainted beverages, and a pesticide was found in two drinks in a vending machine, Kyodo News agency reported. Five people have been killed by such poisonings recently.

In one incident Tuesday, a man in Togane, near Tokyo, became ill after taking a drink from a vending machine. It had been contaminated with a chemical used to protect crops from smog. In another, a man was hospitalized after drinking a beverage bought at a convenience store in Hirakata, about 400 kilometers (250 miles) southwest of Tokyo.

Two bottles left in the dispensing windows of two vending machines in Koriyama, 195 kilometers (120 miles) northeast of Tokyo, were also found to have been tainted with a pesticide. (AP)

Bombs in Macau Wound Police

MACAU — Two bombs attributed to gangsters exploded Tuesday in the Portuguese enclave of Macau, wounding 4 senior police officers and 10 journalists.

Witnesses said a police officer's car was first blown up. Then, as police and journalists gathered at the scene, a bomb stowed on a nearby parked motorcycle went off.

The police officers and eight of the wounded journalists were hospitalized in stable condition Tuesday. The other journalists were released. (AP)

For the Record

Kim Jong Il, the North Korean leader, has appointed the nation's top naval commander, Vice Marshal Kim Il Chol, as defense minister, state media reported. (AP)

Foreign Minister Tang Jiaxuan of China is to visit Washington from Sept. 27 to 29, a Chinese official said Tuesday. (AP)

MEMORIAL SERVICE

IN THE NAME OF GOD,
THE MERCIFUL
AND THE COMPASSIONATE

A Memorial Service will be held
on September 13, 1998, at 10 o'clock.

In memory of the late and deeply regretted

SLEIMAN ALI ABOU TAAM
and
SOUAD HASSAN KHALIL
(SAYYED)

who disappeared tragically in the fatal SR 111 accident,
September 3, 1998.

Their children: Ali and Hicham and Noura.
Brothers of Sleiman: Salem and the late Salim
Sisters of Sleiman: Mariam, Khairiah, Sanniyah
and Fatmeh.

Brothers of Souad: Rached, Adel and the late
Alia and Mohammad.

Sisters of Souad: Mariam, Bahia, Najat and the late
Fahima and Nassima.

Verses from The Koran will be recited,
followed by a funeral oration.

Mosque Al-Haji Matar Husseiniah,
Airport Highway (between Shalita Round and Airport bridge)
Near the Sharour Establishment, Beirut, Lebanon.

MEMORIAL NOTICE

Mr. Arrigo Lampietti and his companion Alba,
Mr. Elio Lampietti,
Miss Emma Ahedo Salgado,
as well as family and friends both in Switzerland and abroad,
announce with deep sorrow the loss of

Dario LAMPIETTI

Their son, step-son, brother, fiancé, relative and friend, who perished tragically off the coast of Nova Scotia on September 3rd, 1998, at the age of 34.

A private memorial service was celebrated in Sementina in presence of the close family.

In lieu of flowers, a donation can be made to the Fondation Theodora, a charity in favour of sick children, at Avenue des Baumettes, 1020 Renens, Switzerland, CPP 10-61645-5, SBS GO.549454.0.

Friends will accept this, the only intimation.

Family domicile: Via all'Isola, 1, 6514 Sementina (TI), Switzerland.

MEMORIAL NOTICE

It is with deep sorrow that the management and employees of the EIM group announce the loss of their colleague and friend

Dario G. Lampietti, Ph. D.
Marketing Director

who perished tragically in the airline crash of September 3rd, 1998.

He will forever remain in our hearts.

A memorial service will be held in his honour at the Catholic Church of La Colombière in Nyon (VD), Switzerland on Thursday September 10th, 1998 at 8 pm.

Ex-No. 2's 'Morals Are Not Good,' Mahathir Claims

Compiled by Our Staff From Dispatches

KUALA LUMPUR — The deputy prime minister of Malaysia was dismissed for moral reasons, not because he allegedly sold state secrets or differed with his boss over monetary policy, Prime Minister Mahathir bin Mohamad said Tuesday.

In his first public comments since he dismissed Anwar Ibrahim last week, Mr. Mahathir also said that Mr. Anwar was courting arrest to become a political martyr.

Mr. Anwar was stripped of his posts of deputy prime

minister and finance minister Sept. 2 on allegations ranging from sexual misconduct to leaking state secrets.

He has denied the allegations, saying they are part of a larger conspiracy by the government to undermine his challenge to Mr. Mahathir's 17-year rule. The two have disagreed bitterly over economic policy in recent months.

Growing numbers of supporters have been gathering near Mr. Anwar's Kuala Lumpur home each night to hear speeches from the fired minister. The crowd Tuesday

appeared to number at least 6,000, three times the number that gathered Monday night.

"I have repeatedly explained to the prime minister that the allegations against me are a series of fabricated lies and deceptions," Mr. Anwar told the crowd. "I will absolutely not accept it."

Mr. Mahathir said he had conducted his own investigation into the sexual misconduct allegations against his longtime protégé and had concluded that "there was substance to the allegations."

"His character does not qualify him to be a leader," the prime minister said.

"His morals are not good," he said.

Mr. Mahathir called Mr. Anwar's calls for a reform movement a diversion from the investigation, adding that his former No. 2 "is trying his best to get the government to arrest him, so he will become a martyr."

Mr. Mahathir once wooed Mr. Anwar into his political party.

Since his expulsion from the party, Mr. Anwar has said

he will push for press freedoms and more government openness. He said Tuesday that his previous charges of cronism were not directed at Mr. Mahathir, but at the government.

In the impromptu rally at his home late Tuesday, Mr. Anwar unveiled a badge for his planned movement.

"We Support Reform," reads the badge, which was sold to supporters for 3 ringgit (78 cents) apiece.

No one within the governing party had openly challenged Mr. Mahathir's rule before, and the 72-year-old leader was said to be furious. The sex-related allegations against Mr. Anwar first surfaced in a book, "50 Reasons Why Anwar Cannot Be PM," and range from the groping of women to sodomy.

The police have said they intend to complete their investigations into the charges of sexual misconduct, abuse of power and leaking state secrets before deciding whether to arrest Mr. Anwar.

"This is the law of the jungle," Mr. Anwar said, "because you condemn a person and you abuse him and you don't care for the feelings of his wife and his children."

Except for a short visit to a nearby mosque Friday, Mr. Anwar has remained in his house since Thursday.

He said Tuesday that he was canceling a nationwide tour in deference to Mr. Mahathir, who has said there is no need for him to travel to publicly counter the charges.

"If he doesn't want me to go for a road show," Mr. Anwar said, "give me a TV forum to explain myself. Give me enough space in the local newspapers. Carry out reforms and implement justice to the people." (AP, AFP, Reuters)

CROSSWORD

ACROSS

- 1 Theatrical hit, in slang
- 5 Wild party
- 10 Bound strong
- 14 Word with slide or home
- 18 Ninth-inning excitement, maybe
- 19 Tel. —
- 17 Antiquing agent
- 19 How the euphoric walk?
- 19 Barn accessory
- 20 Start of a Ralph Waldo Emerson quote

DOWN

- 2 Spread about
- 24 It may be living or dead
- 25 Unblock, poetically
- 26 Minolta competitor
- 31 Hearing problem?
- 32 "Greetings" org.
- 33 Charles and Ephron
- 36 Prefix with nuke or freeze
- 38 Middle of the quote
- 43 Ambience
- 44 Fictional reporter brands

ACROSS

- 45 Part of E-mail addresses
- 46 Pool parties?
- 49 Lawn mower's path
- 51 Biddy
- 52 Squal
- 54 Uncredited authors
- 55 End of the quote
- 61 Easing of tensions
- 64 Sidekick
- 65 "Blonde" character
- 66 Flightless bird
- 67 Take up again
- 68 Pollock Long
- 69 Foreboding
- 70 Deck out
- 71 Reo maker

DOWN

- 10 Soap brand
- 11 In vitro items
- 12 Met coup
- 13 Adam's rib, so to speak
- 21 "Dallas" family name
- 22 Public health org.
- 25 Held title to
- 26 Barbecue spot
- 27 Be real
- 29 Loads from
- 30 Quashes
- 32 Amused
- 33 Squirrel away
- 34 "On the Beach" author
- 36 Lorelei, e.g.
- 37 Side order at KFC
- 40 One of the Bobbys
- 41 Be a dead weight on
- 42 Garden products brand
- 47 Spanish gold
- 48 1943 Bogart film
- 49 Big chief
- 50 Busted, in a way
- 53 City near Inchon
- 55 Busted
- 57 Collier stationers



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Solution to Puzzle of Sept. 8

LAVA BASS MASKS
ORIT ACHIE ONEAL
COVERGIRL UNITE
ADIEU DIMES ZIP
LED SPREADSHEET
STREAK BEA
MARTINIS MOIN
AZTECAN SILENCE
GOEN GASSBOU
CHI GLOAT BOT
AFGHANHUBER
TOE SCOUT Usher
BRASH WRAPPARTY
AGREE IRA NEMO
TESTIS SPYS GWEN

DOWN

- 1 Kindergarten disrupter
- 2 Word of obligation
- 3 One on the lam
- 4 Actor Mel or Jose
- 5 Critter in a kids' rhyme
- 6 An ex of Arlie
- 7 Winged
- 8 Playground sight

See our
Friendships
every Saturday
in The Intermarket

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Hurry Up in Moscow

Russia has had more than its share of malevolent or inept leaders over the years, but the latest Kremlin cast is setting a new standard for incompetence and self-absorption. With the country in an economic meltdown, the lower house of Parliament on Monday once again rejected President Boris Yeltsin's choice for prime minister, leaving the nation without a working government. With the ruble's purchasing power tumbling and shortages of food and other vital commodities developing, Russia is rapidly slipping into conditions that breed unrest and demagoguery.

Viktor Chernomyrdin may not be the ideal choice for prime minister, but at this moment of political and economic peril he would be better than the volatile vacuum of power that now exists. His rejection for a third and final time

in the days ahead would most likely lead Mr. Yeltsin to dissolve Parliament and call new elections later this year. Given Mr. Yeltsin's unsteady leadership, Russia cannot afford several more months of political paralysis.

The Communists and their allies may be bluffing, since many members of Parliament fear the loss of their seats and the privileges that come with them. But unlike earlier confrontations with Mr. Yeltsin, when the Communists backed down, this time they may sense electoral advantage in the growing economic turmoil and Mr. Yeltsin's unpopularity. It would not be the first time that the Communist Party tried to exploit economic hardship for its own advantage. Lenin perfected the strategy in 1917.

—THE NEW YORK TIMES.

Yes to Arms Control

An early U.S. Senate vote on funds for implementation of the comprehensive nuclear test ban treaty indicates that the two-thirds majority needed to ratify the test ban may be lacking. There would be some votes from the Republican majority for a treaty, but at this moment the dominant blocking position of the party leadership looks strong. The evident resistance to ratification is attributed not simply to dissatisfaction with some of the treaty's terms — there isn't all that much dissatisfaction — but to a fundamental and wrongheaded quarrel with the premises of arms control itself.

Modern arms control was invented during the Cold War to restrict the nuclear armories of the then two great powers and, if not to bring something deserving of the name of peace between them, to lessen the risks and costs of their preparing for nuclear war. There were ups and downs, and their ultimate worth can be argued, but there is no denying that at a certain point Ronald Reagan demolished arms control as everyone had known it.

From being a policy aimed at producing nuclear parity or stalemate in a condition of reduced but continuing political hostility, arms control became under President Reagan a bold program to end Soviet-American nuclear competition and, beyond that, to close out the Cold War itself by seeing to the transformation of the Soviet Union. Many other hands, especially Mikhail Gorbachev's, shared in this task. But Mr. Reagan was a leading contributor to the different state of affairs that America enjoys with Russia to this day.

Since the Cold War's demise, the urgency has gone out of classical arms control. The United States, far from deterring Russia and preserving a balance of terror, is helping Russia dismantle its excessive and expensive nuclear capability, concentrating on the specter of "loose nukes" — weapons under uncertain official control and vulnerable to private theft and misuse. Still, the weapons that most trouble the United States and Russia are those in the hands, or in the aspirations, of third countries. Nonproliferation or counter-proliferation is at the heart of post-Cold War arms control.

A Cancer Dilemma

A nod of approval from a U.S. Food and Drug Administration advisory committee means that tamoxifen, a powerful drug now given to some women to prevent a recurrence of breast cancer, may soon become the first such drug given to women who have not had breast cancer, in order to stave it off in future. That departure, if it is approved, opens a new realm of possibly effective and certainly terrifying decisions and trade-offs that are likely to confront patients. Medicine always has involved such decisions, but the quick pace of research throws the trade-offs into ever sharper relief.

Tamoxifen has been prescribed for years to women who have had breast cancer, for whom the benefits of delaying or preventing a recurrence generally were considered sufficient to balance the drug's considerable negative side effects. But when you move into the area of possible prevention, giving the drug to large numbers of people who are not sick and may not get sick, things become far harder to parse.

Most striking, tamoxifen is itself a slight carcinogen, seeming to cause, in some cases, uterine cancer. It also in-

duces a variety of other health problems, some of which can threaten death. In a 13,000-person study of tamoxifen, one that showed such dramatic benefits from the drug that the study was halted early, three subjects died of blood clots.

How to weigh those risks against the better-known risk of getting, and perhaps dying of, breast cancer? Again, the choices forced by this treatment are mirrors of the broader approach to therapies with dangerous drugs: Doctors add in calculation of more risks.

Those who support the use of tamoxifen in this new way say that patients probably will be given complicated formulas to estimate, first, their risk of getting breast cancer; second, their risk of suffering side effects; and third, their risk of developing the kind of cancer that can be helped by the drug in the first place. If these are unknowns piled upon unknowns, they reflect a medical world in which advances mean more and more staggering choices — to be weighed, again and more, by the patient, who has the least training in these matters but the highest stake in the outcome.

—THE WASHINGTON POST.

It's One World, Ready or Not? But Some Are Not

By Marshall Auerback and Patrick Smith

NORFOLK, Connecticut — In the months and years hence, these past weeks will be better understood for what they are: the point at which globalism lost its place as the world economy's unassailable logic.

Globalism's fall from grace is a step toward a more diverse community of nations that is no longer so inclined to look Westward for leadership.

The Russians' economic and political messes have brought financial markets to calamity's edge, but Russia is in no position to challenge anybody. At this point, all Moscow wants is help from any direction.

No, those first to confront the primacy of neoliberal capitalism are the East Asians. They, too, have been in crisis. But they have now arrived at economic policies entirely at odds with those proposed by the U.S. Treasury and the IMF, which have long led the globalization crusade.

The world took little notice in December when Mahatir bin Mohamad, Malaysia's prime minister, convened a summit of Asian leaders in Kuala Lumpur. Most Western analysts pictured Mr. Mahatir as the neighborhood xenophobe and dismissed his anti-Western rhetoric as a sideshow. It was partly that, but more attention

should have been paid to the Kuala Lumpur summit. East Asians have ever since nodded politely toward the West with no serious intention of carrying out the IMF's socially destructive, no-pain-no-gain solutions to their currency and debt crises.

Some banks will close and some corporations will merge; jobs will be lost and debt will be repackaged and sold. But from Tokyo to Jakarta, the clear intent is to stimulate the region out of recession while avoiding structural changes that the IMF has long deemed essential.

"I am an ordained Keynesian," Kijichi Miyazawa declared on the day after he was named Japan's finance minister in July. He soon added that he favored "economic recovery, not reform."

These are more than policy statements; they reflect strategy as much as tactics. At issue are not just the next quarter's economic results but preservation of an economic model that has advanced the region at a rate and for a duration with no parallels in history.

This is the context in which Malaysia's imposition of capital controls last week should be viewed. Wall Street and the State Department are re-

portedly shocked that Mr. Mahatir has taken this step. They should be. We now have the first live case study of an alternative to the Anglo-American model, which ranks unfettered capital flows among its signature features.

Malaysia's new policy has prompted unqualified objections in Western financial capitals. Currency controls will produce a fatal loss of confidence, it is said, and Western funds that have stayed the course in Malaysia will flee.

Whatever happened to history? With few exceptions, capital controls were in place across the region during the Cold War years — the Asian "miracle" era — and they never impeded investment. China, South Korea and Taiwan still maintain controls. As to capital flight, the Kuala Lumpur market's grim numbers suggest that supposedly loyal, long-term funds left town a long while ago.

Understood properly, capital controls are intended to limit inflows, not outflows. Mr. Mahatir has concluded that large amounts of short-term capital from abroad are too disruptive of a system based on high savings rates and high levels of corporate debt.

Condemned in the West, Malaysia's turn inward has summoned an eloquent

silence from the rest of East Asia. If Malaysians succeed in rekindling growth, as they have a good chance of doing, it will be one more signal that Anglo-American capitalism will have to take its place as one alternative among others. We will eventually count division of the world into discrete economic blocs among globalism's lasting consequences.

Many in the West have viewed Asia and other regions not as complex societies but as markets ruled by market logic alone. Asian leaders are perfectly positioned to deliver a correction here. They may fall short as principled democrats, but their economic success is intimately tied to the social cohesion that globalism challenges.

It is well understood across the Pacific that globalization caused the Asian crisis and cannot logically be its cure. Some in the West have been confident for years that globalism is inevitable. It isn't. One world, ready or not? "Not" is the clear response.

Mr. Auerback is a partner in Veneroso Associates, a global strategic consulting firm. Mr. Smith is author of "Japan: A Reinterpretation." They contributed this comment to the International Herald Tribune.

Washington Has a Japanese Friend Who Is Threatening Trouble

By Gregory Clark

TOKYO — The global economic crisis has produced its share of ironies. One is Southeast Asian economies being dragged down by the liberalization policies that were meant to save them. Another is Western hopes for the Russian economy being destroyed by the man the West backed for leadership, Boris Yeltsin.

But in Japan an even more dangerous irony looms.

Washington rightly sees urgent moves to rescue Japan's weakened financial system as crucial to the future of the world economy. But the politician it has long seen as crucial to reform, Ichiro Ozawa, leader of the right-wing, pro-U.S., opposition Liberal Party, is emerging as the man most determined to block those moves.

Japan's economic problems are almost the exact opposite of those in the rest of Asia, which suffers from lack of foreign exchange, low savings and high interest rates. Japan has ample foreign exchange, abnormally high savings and extremely low interest rates.

Some Western media bracket Japan and Indonesia together as Asian basket cases with hopelessly weak currencies. But Indonesia has interest rates of around 60 percent. In Japan they are less than 1 percent.

Japan is newsworthy in the dogged way its firms and citizens have refused for more than half a decade to weaken the yen further by sending even more funds abroad in search of much higher interest rates.

Their squirrel mentality leads them to put too much trust not just in savings but also in the safety of their own economy.

Japan's economic problems are due to chronically weak domestic demand, the direct result of those high savings. Japan forces itself to over-rely

on export surpluses, which eventually cause more problems than they solve.

But the immediate problem is the paralyzing effect of collapsing land and share prices, the former especially. That collapse not only further cuts domestic demand, it bankrupts banks that were foolish enough to lend money on the basis of past inflated land and share values.

Then as the economy declines demand is cut further. In other words, and as was realized by Keynesian economists but ignored by the now fashionable monetarist theories, economies in downturn create vicious spirals that can be broken only by heavy infusions of demand-creating funds.

Japan has a further problem, namely the emotionalism of its consumers and investors who, even more than Western counterparts, splurge when times

are good and sew up the purse strings when things are bad.

Japan's ruling Liberal Democratic Party now realizes all this. It promises to expand public outlays and wants to infuse the threatened banks with whatever funds are needed to save them.

At this point Ichiro Ozawa enters the scene. A former LDP stalwart, he now has his own party swearing not just strong pro-U.S. sentiments but also undying dislike of the LDP, from which Mr. Ozawa bolted at the height of an ugly 1993 corruption scandal.

Playing to the very understandable public distaste for rescuing the bankers who behaved so foolishly and corruptly in the past, he now vows total opposition to LDP plans.

His agenda? Force a dissolution of the Lower House. In the ensuing turmoil, it is highly likely that his party, in coalition with other opposition

parties, could come to power.

Meanwhile, of course, not just Japan but the rest of the world could be pushed into a 1930s style depression by the delay in rescuing the banks.

The main opposition party, the Democratic Party, and some others have let themselves be tempted by this agenda. After all, if the economy recovers — which is very likely once the banks are saved and a clear bottom is placed on land prices (something that can easily be done now that land prices have fallen to a level where canny U.S. and Chinese investors are already buying into Japanese real estate and delinquent land-collateralized loans) — their electoral chances decline enormously.

If America really has the global power and responsibility it believes are its due, now is the moment to say a hard word to one Ichiro Ozawa.

International Herald Tribune

Now a First Line of Defense Against Chemical Hazards

By Jacques Diouf and Klaus Töpfer

ROME — One of the promises of the industrial age has been "better living through chemistry." Most of the 100,000 chemicals and pesticides currently on the world market have indeed helped to improve our lives. At the same time, accidents and misuse have poisoned the environment and injured or killed many thousands of people, particularly in developing countries.

One example is the widespread use of PCBs (polychlorinated biphenyls) in transformers, capacitors, paints and plastics. We know that PCBs suppress the human immune system, are probable carcinogens, and cause developmental delays and behavioral problems in young children. But PCBs are widespread in the environment and are being absorbed by untold numbers of people through food contamination.

In addition, many old and highly toxic pesticides that have been banned or severely restricted in developed countries are still marketed and used in developing countries because of their low price. Distribution of pesticides is not regulated in most of these countries, control of toxic compounds is weak, and there is a shortage of trained farmers and workers to handle them safely.

Recent studies in Kenya, Nigeria, Indonesia and Vietnam show that most farmers in developing countries simply cannot handle highly toxic pesticides in a safe manner. Protective clothing is often thought to be a solution, but most farmers cannot afford to buy it or are unable to use and maintain it properly. In hot climate conditions, such clothing is too uncomfortable to wear.

Similarly, more than 100,000

tonnes of obsolete pesticide stocks have accumulated in developing countries, some 15 to 20 percent of it in Africa. Leaking and corroding metal drums filled with dangerous pesticides dot the urban and rural landscapes, threatening drinking and irrigation water. The safe disposal of these stocks will be a monumental task.

Fortunately, international action to tackle these chemical risks is now accelerating. This Thursday and Friday in Rotterdam, ministers and senior officials meet to adopt and sign the new Convention on International Trade in Hazardous Chemicals and Pesticides.

The convention promises to establish a first line of defense against future tragedies. It will give countries the power to protect themselves against chemicals and pesticides that pose

unacceptable risks to human health and the environment.

The treaty requires that harmful chemicals and pesticides that have been banned or severely restricted in at least two countries may not be exported unless the importing country explicitly agrees.

Other pesticides would be added to the list when it is evident that they are too dangerous to be used in developing countries. Countries are also obliged to stop national production for those hazardous compounds.

The convention is an important step forward in helping governments to decide what chemicals they need while keeping out those they cannot manage safely. When trade remains permitted, requirements for labeling and providing information on potential health and environmental risks will promote safer use of these chemicals. Countries that have signed the treaty will be obliged to control commercial exports.

Some of the chemicals covered by this new and legally binding treaty belong to a particularly toxic group of substances known as persistent organic pollutants, or POPs. For example, the pesticide DDT is still used to combat malaria in some regions even though it also poisons wildlife.

Despite bans on use in many countries, world production of a number of POPs continues. International negotiations on reducing the release of these substances started recently.

The challenges that the world faces in the next millennium are enormous. World population is expected to grow from 5.8 billion today to 8.3 billion in 2025. Most of this growth will occur in developing countries. To feed so many additional people, food production will have to increase significantly.

For now, feeding the world without pesticides remains an elusive goal, but we must still intensify our search for more environmentally friendly production methods. In applying Integrated Pest Management, Asian farmers managed to reduce the use of pesticides significantly and to achieve higher yields at the same time.

Since hazardous chemicals are traded internationally and, when released, often cross borders, actions to minimize toxic risks must be based on international cooperation. The newly adopted treaty on chemicals trade is an essential first step, but a great deal of work remains before we can undo the mistakes of the past.

With the rapidly expanding use of chemicals and improving scientific understanding, it is time to move the control of chemical hazards higher up the global environmental agenda.

Jacques Diouf is director-general of the Food and Agriculture Organization. Klaus Töpfer is executive director of the United Nations Environment Program. They contributed this comment to the International Herald Tribune.

Back to Vietnam After Agent Orange

By Philip M. Boffey

NEW YORK — Dr. Le Cao Dai, one of Vietnam's top experts on the health effects of Agent Orange, first encountered American military herbicides when he ran a field hospital for the North Vietnamese army along the Ho Chi Minh Trail.

American planes would fly low over the forest canopy and release a cloud of chemicals. Within days, the leaves would begin to fall, forcing Dr. Dai to move his hospital deeper into the forest for concealment. Only later did he come to believe that the spraying had done long-term health damage to Vietnamese soldiers and civilians.

That belief is shared by leading Vietnamese doctors who were interviewed on a recent trip of mine through Vietnam. None would hazard a guess as to how extensive the damage had been, but one was later quoted in the Vietnamese press as asserting that some 70,000 Vietnamese are now suffering from illnesses caused by Agent Orange.

The evidence to support these beliefs is weak. For it is a sad irony of the Vietnam War that those most likely to have been affected by the spraying, the Vietnamese themselves, have been the least effectively studied.

The United States has put enormous effort into assessing possible harm to American soldiers but found only limited damage, perhaps because most soldiers had relatively little contact with the chemicals during their short tours of duty. Meanwhile, the Vietnamese

troops directly under the spray, and civilians who lived in the sprayed areas for years or moved in later, have been studied primarily by Vietnamese scientists whose results are not generally accepted by scientists from more advanced nations.

American herbicides, of which the most prominent was Agent Orange, were widely dispersed to defoliate trees over supply routes, clear away brush from roadsides, riverbanks and base camps, and kill food crops that sustained guerrilla bands. More than 10 percent of the land area of South Vietnam was sprayed at least once, and some areas were sprayed repeatedly.

The herbicides would generally dissipate within weeks but would leave behind a toxic contaminant, dioxin, that was inadvertently created during the manufacturing process.

Journalists who inquire about Agent Orange are routinely taken to "peace villages" to see malnourished children, to an exhibit on health consequences at the medical school in Hanoi, or to a collection of malformed fetuses at an obstetrical hospital in Ho Chi Minh City. All three sites make a powerful case that there is appalling illness in Vietnam, but all fall short of demonstrating that Agent Orange was the culprit.

The birth defects, cancers and other illnesses that the Vietnamese attribute to Agent Orange can be caused by a wide range of factors, and Agent

Orange may not be prominent among them.

The epidemiological and laboratory studies that offer the best hope of finding answers are difficult for even the most advanced scientific countries to perform. Vietnamese studies that purport to find excess cancers, birth defects and other illnesses in soldiers and civilians from areas that were sprayed are discounted by Western experts for lack of stringent methodology.

Vietnamese and American scientists once started a collaborative research effort, but it fell apart three years ago when Vietnamese authorities confiscated research samples before they could leave the country.

Now, however, the Vietnamese and the U.S. Embassy in Hanoi are both suggesting a joint study of the effects of the herbicides. The U.S. National Academy of Sciences has been asked to consider whether it is feasible to do a study so long after the spraying, in a nation where health records and disease measures are notoriously incomplete.

The research seems well worth doing, if it is technically feasible. An authoritative study would add to the growing literature on the health effects of herbicides and dioxin, could help the Vietnamese decide how to allocate scarce health resources, and might shed additional light on the effects of Agent Orange in American veterans. And it might finally close one of the festering wounds from the Vietnam War.

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Klondike Dream

PARIS — A boy of about twelve years of age entered a winery and asked for a bottle of beer. The "patronne" descended to the cellar. Later she found that in her absence he had emptied the till, which contained 660fr. The precocious criminal was arrested. He explained that he had read of the new gold mines in the Klondike and wanted to go to them. He obtained a free ride to the Saint-Lazare station behind a cab. On arriving, he remembered that he should want a revolver; so he went back to the quarter in which he lived to buy one.

1923: Defiant Vintner

BALTIMORE — Representative John P. Hill, of Maryland, has started making wine. Despite the wide circulation of his announcement, he waited in vain for Federal agents to ap-

pear to put his activities at an end according to the dry law. Giving up hope of an official visit to his wine plant, Representative Hill declared that he would take samples of his product to Washington and ask the Prohibition Department to analyze it.

1948: 'Class War'

WARSAW — The Communist Workers' party's call for a "class war" among the nation's peasants appeared to have got off to a flying start with reports that small farmers led by Communists were ripping down fences and moving on to big farms. A number of tractors owned by "rural capitalists" have been damaged. Hilary Minc, Minister of Industry and Commerce, said: "State-owned farms and other state-socialized property must become the agricultural socialist foundation in the people's state."

Herald Tribune

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OPINION/LETTERS

The Right to Be Let Alone:
Crucial for Civilized Life

By Anthony Lewis

BOSTON — Senator Joseph Lieberman struck a chord in the United States because of the way he criticized President Bill Clinton's behavior. He ground no political ax. He was not holier than thou. He gave us no prurient sanctimony. Simply and directly, he expressed what most people feel: sadness, outrage.

But on one point he went too far: when he said that no president today can have a private life.

"The reality is in 1998 that a president's private life is public," Senator Lieberman said. "Contemporary news media standards will have it no other way."

Must every president from here on live with a press driven downward by competition in morbid curiosity? Beyond that, can no president ever again be assured of confidence in his talks with advisers? Must every president look at his Secret Service guards as potential witnesses?

I cannot imagine any ordinary person wanting to live under such conditions. Total exposure, or the fear of it, would put an intolerable strain on us.

Privacy is an essential ingredient of civilized human existence. The reason was explained in a superb article last month in London's *Times Literary Supplement* by Thomas Nagel, professor of philosophy and law at New York University.

"Each of our inner lives is

such a jungle of thoughts, feelings, fantasies and impulses," Mr. Nagel wrote, "that civilization would be impossible if we expressed them all, or if we could all read each other's minds. ... Just as social life would be impossible if we expressed all our lustful, aggressive, greedy, anxious or self-obsessed feelings in ordinary public encounters, so would inner life be impossible if we tried to become wholly persons whose thoughts, feelings and private behavior could be safely exposed to public view."

Mr. Nagel correctly saw the destruction of presidential privacy as part of a larger trend, "a disastrous erosion of the precious but fragile conventions of personal privacy in the United States over the past 10 or 20 years." We are in the age of letting it all hang out — and of rewards for exposing others.

Two current books are nauseating examples. Joyce Maynard decided to profit by writing about a long-ago affair with J.D. Salinger, a man who treasures privacy. Paul Theroux decided to expose the great writer who befriended him, V.S. Naipaul. Both will no doubt be richly rewarded for betraying personal relationships.

To avoid such violations of intimacy, one would have to live without love, without friendship. Is that what we want in political



leaders? All politicians, not just presidents, are now fair game for the prying journalist, the obsessed prosecutor.

"We can't limit the choice of political figures to those whose peculiar inner constitution enables them to withstand outrageous exposure, or those whose sexual lives are simple."

Mr. Nagel wrote.

It is important to understand that the Clinton case is special. In February I wrote: "President Clinton was on notice — years of notice — that his sexual behavior was an issue. If he ignored the warnings and then went on television to deny the truth, he will be judged by the

American people in those terms, and should be" (*IHT*, Feb. 25).

But in general we Americans are better off not knowing about the private lives of our leaders, and not lusting to know. Would America be a better place if the supposed sexual adventures of John F. Kennedy had been reported at the time? If the press had published the material leaked by J. Edgar Hoover about Martin Luther King's sexual straying?

The great Italian playwright Luigi Pirandello, in "Right You Are if You Think You Are," showed the price a community pays when it is driven by gossips to find out The Truth about people's private lives.

It is not an accident that both Linda Tripp and Kenneth Starr justify their relentless behavior as demanded by "truth."

We should not forget the secrets of private lives; least of all should we do so by the terrible power of the criminal law. My hope and belief are that, however the Clinton story ends, the country and Congress will see to it that never again will a prosecutor thus damage the presidency.

For the good of the country, a president needs what Justice Louis Brandeis called "the right to be let alone... the right most valued by civilized men."

The New York Times

Righteous Drug Warriors
Mete Out a Cruel Lesson

By Mike Gray

LOS ANGELES — Maureen was a 19-year-old Irish redhead in England when she married a rich kid from Manchester who gave her three children and introduced her to heroin. A few years later he decided to run off with a younger woman, so he left Maureen with the kids, no money and a serious heroin habit.

For the next several years, she moved the kids from one bed-and-

disgusted. Over the next weeks and months, her dose was stabilized at a point that allowed her to function without suffering withdrawal, and within a year her life had been completely turned around. She had a job, her kids were in school and she was talking about going back to college.

The paper that John Marks handed her almost nonchalantly had turned out to be a passport out of hell.

Unfortunately, the Liverpool clinic — one of the last of the old British heroin maintenance programs — was featured on a CBS "60 Minutes" broadcast. U.S. drug enforcers went into convulsions.

The success of the clinic — a 90 percent drop in the local crime rate, zero cases of AIDS, progress in moving people off welfare rolls into productive jobs — flew in the face of American drug war orthodoxy.

Dr. Marks was warned by friends in the Home Office that the U.S. Embassy was exerting tremendous pressure to shut him down, and in the end it was successful. The 450 patients that Dr. Marks had been serving were kicked into the street and told to find a detox program where they could learn to give up their evil ways. "Two years later," said Dr. Marks, "25 of the addicts were dead."

And what of Maureen, the heroin user with three children who planned to go to college?

"I saw Maureen the other day," said Dr. Marks. "She was desperate, back to criminality; a lot of her friends are back in prison. She's on the streets. She came in passing and asked if I could take her back on. Her doctor tried to refer her to me, but the Health Authority refused to defray the costs."

And so the state, in its righteous determination to set everything straight, has managed to teach Maureen and her children a lesson. It's one they won't soon forget.

The writer is the author of "Drug Crazy: How We Got Into This Mess and How We Can Get Out," from which this comment was excerpted by the Los Angeles Times.

LETTERS TO THE EDITOR

Helping Russia

Regarding "Russia's Options Narrow" (*Finance*, Sept. 3):

It was stupid arrogance of Western economic "experts" to insist on feeding undiluted laissez-faire medicine to people who have been suffocated and crippled by centuries of prison routine — and then, to top it all off, to hand the money to the prison wardens, who promptly stashed it in Western bank accounts!

To stabilize an economy, stable money is needed, and a global economy needs a global currency,

which, as suggested in this article, would by default be the U.S. dollar.

RAINER ESSLER,
Avignon, France.

Since free market capitalism has been a failure in Russia, and since returning to communism is undesirable, and perhaps impossible, we must look for a third way to prosperity in that country.

I believe the European model — socially oriented capitalism — could be the solution. The West must stop crying "reform" and instead help the Russians come around slowly to the free market.

Help Russia disarm the robber barons by the partial nationalization of big industries and pay more attention to the plight of a miserable people.

VICTOR N. OSCODAR,
Anglet, France.

Regarding "Yeltsin Says Political Aid Is Key U.S. Contribution" (*Sept. 3*):

President Bill Clinton was wrong to lecture Russian leaders to continue with economic "reform." Reform is a euphemism for U.S.-style free market policies. That is the same kind of myopic advice that President Her-

bert Hoover followed, and it led directly to the Great Depression.

It is the unfettered free market that has destroyed the Russian economy in just seven years. What Russia needs is the same economic package that saved the United States in the 1930s: a New Deal program that requires government intervention and regulation.

It is ironic but true that the only thing worse than the failure of the deregulated free market would be its success. This is because the system is dependent on investment greed, mass consumption, waste and constantly expanding

markets. This is a sure way to produce a polluted planet.

As we enter a new century and a new millennium, it is clear that the policies of the past will not work in the future.

DOUGLAS MATTERN,
San Francisco.

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INTERNATIONAL

Ex-Police Chief Admits Bomb Plot at ANC's London Office

By Donald G. McNeil Jr.
New York Times Service

PRETORIA — Slipping their heads out of one legal noose and into another, some of apartheid's worst assassins began confessing to the Truth and Reconciliation Commission on Tuesday about murders and bombings they committed outside the country.

Although the applicants hope that by confessing they will get amnesty against South African prosecution for setting off a bomb in London and mailing parcel bombs that killed women and children in Angola and Mozambique, they are opening themselves up to charges and possible extradition requests from the countries where the crimes were committed.

An observer from Scotland Yard, England's national law enforcement agency, was in the audience Tuesday.

The hearings are scheduled to take three weeks. The only applicant to testify Tuesday before microphone problems cut the hearing short was Johan Coetzee, the former commissioner of police.

In his amnesty application, Mr. Coetzee outlined the plot to bomb the London headquarters of the outlawed African National Congress on March 14, 1982. Bomb parts were sent to London in a diplomatic pouch — other reports have said they were inside a cookie tin in the pouch — and assembled inside the South African Embassy. The bomb killed one but damaged the building at 28 Fenton Street.

It was intended, Mr. Coetzee testified, to scare

the ANC, but also to "demonstrate our government's disenchantment" to the British government that it was letting the ANC and its ally, the South African Communist Party, openly keep offices there.

The Pretoria government was also upset because it had evidence that a 1981 rocket attack by five black guerrillas on Voortrekkerhoogte — South Africa's equivalent of the Pentagon — had been aided by two white Britons who rented the house in Pretoria where the guerrillas hid, and cached the rockets before the attack.

The attack was ordered, personally and adamantly, by the late Louis le Grange, then minister of police, Mr. Coetzee testified. He said he was not told if anyone above him — including President Pieter W. Botha — gave the order. He had

been told that the government was "prepared to face severe diplomatic consequences" with the British if the bombers were caught. "I don't believe Mr. le Grange would have decided on such an operation on his own," he added.

The hearings are expected to go into more vicious crimes, including the mailing of a letter bomb to Mozambique that killed Ruth First, the wife of Joe Slovo, then head of the South African Communist Party, and another to Angola that killed Jeanette Schoon, wife of Marius Schoon, an ANC activist, and their 7-year-old daughter, Katryn.

Mrs. First's three daughters were in the hearing room Tuesday, as were Mr. Schoon and his 15-year-old son, Fritz, who was 2 years old and in the room with his mother and sister when they were killed. They are opposing any amnesty.

U.S. Appears Unsure Over Launching by North Korea

By Joseph Fitchett
International Herald Tribune

PARIS — A week and a half after North Korea fired a powerful rocket into space, the United States apparently was still unable to say Tuesday whether Pyongyang test-fired an intercontinental missile, launched a satellite — or both.

Asked what the North Koreans did, the White House spokesman, Michael McCurry, said: "We don't know if they in fact launched a satellite."

Regardless, a Pentagon spokesman said later, the launching "demonstrated an ability to deliver payloads against surface targets at medium ranges," a phrase indicating that North Korea's missile reach has lengthened to more than 1,000 kilometers (more than 625 miles).

Almost more worrying to allied governments in Europe and Asia, however, has been the apparent U.S. inability — or perhaps reluctance — to provide definitive answers about an episode of the sort that U.S. spy satellites are designed to monitor.

"Electronic intelligence is what America does best," a French government official said Tuesday. "So it's very puzzling, and frankly worrying, that Washington seems undecided about what kind of a space event it was."

On a similar note, a European ambassador in Paris said: "What does this tell allied governments about the reliability of U.S. sensors in space and about the prospects for missile defense?"

The apparent uncertainty is particularly troubling, said John Pike, a specialist at the Federation of American Scientists in Washington, "because it seems to be the latest in a series of fumbles by the intelligence community."

The United States was caught by surprise in May by India's nuclear testing, and last month U.S. intelligence may have been faulty about a plant in Sudan demolished by U.S. cruise missiles.

Technically, the North Korean launching could have been both a missile test and a satellite launching, according to a U.S. intelligence official interviewed on the basis of anonymity.

"It could have been doing double duty," the official said, "because you do roughly the same things in testing an intercontinental ballistic missile and launching a satellite." But the official voiced skepticism that North Korea had put a satellite into orbit.

The worst scenario would be a successful dual mission, a Central Intelligence Agency analyst said, "because the club of satellite producers is smaller and even more sophisticated than the club of missile makers."

More than one-third of North Korea's exports are weapons, many of them to Iraq and Pakistan. If Pyongyang could offer both advanced ballistic missiles and satellites for targeting them, the package would be very attractive to governments with no hope of obtaining such military capabilities anywhere else.

The North Korean rocket apparently was spotted on launching Aug. 31 and tracked as it overflew Japan in a 2,000-kilometer arc — a test flight, Washington said, of a two-stage ballistic missile, the Taepo Dong 1. On Friday, North Korea asserted that what the U.S. government had called a missile was in fact a rocket launching a satellite.

The mystery deepened over the weekend when a Russian news agency said that Russia's space tracking installations had detected the North Korean satellite in orbit. Washington maintained official silence despite press reports that U.S. space-command radars had picked up infrared traces consistent with North Korea's description of the rocket as a three-stage space-launch vehicle.

Confirming a degree of U.S. uncertainty, the intelligence official said Tuesday that the initial reporting might have failed to detect the release of a basketball-sized radio transmitter.

Mr. Pike said that U.S. spy satellites were expecting a missile test rather than a satellite launching. "So when they had to go back into the data they probably had big difficulties deciding on a single story because so many separate agencies are involved."

Both he and the intelligence sources voiced doubts about the existence of a North Korean satellite. No listening station has picked up signals from it. Equally unsubstantiated were the claims of a sighting by the Russian installations, most of which are thought to be no longer in operating order.

The apparently untraceable satellite could be a fabrication by Pyongyang intended to defuse hostility in Japan and South Korea. Mr. Pike said that a picture of the rocket put on the Internet by Pyongyang appeared to have been doctored to resemble a space-launch vehicle.



Illegal Laotian immigrants in the Singorabhom, Thailand, police station. "We are poor at home," one said.

RUSSIA: Yeltsin Seeks an Answer to Rejection of Prime Minister

Continued from Page 1

Russia's acting energy minister advocated postponing the last major privatization of a state oil company for lack of buyers.

The enclave of Kaliningrad, on the Baltic, declared a state of emergency. Workers went on strike in the closed nuclear cities of Chelyabinsk and Arzamas over wage arrears.

As the president weighed his options, the potential replacements for Mr. Chernomyrdin were concealing their ambitions under a cloak of humility and statesmanship.

Yegor Stroyev, the 61-year-old leader of the upper house of the legislature, the Federation Council, has often been mentioned as a possible compromise choice.

A Yeltsin ally, he also serves as the head of the local administration in Orel, an agricultural area south of Moscow that tends to be pro-Communist.

Mr. Stroyev urged Mr. Yeltsin on Tuesday to think long and hard before renominating Mr. Chernomyrdin, but insisted he had no interest in the post himself.

He backed Yevgeni Primakov, the foreign minister, whose candidacy was pressed by Gregory Yavlinsky, head of the liberal Yabloko party.

Mr. Primakov, however, was not to be outdone in disclaiming any interest in a higher office.

Tuesday afternoon, he issued a statement stressing how happy he was in his present post and asserting that he had not encouraged Mr. Yavlinsky.

"I cannot consent to this," he said, even as he left himself an opening by adding that he would do "all that is possible in the interests of my country."

That left the Moscow mayor, Yuri

Luzhkov, who has been waging an entirely unsuitable campaign to become the successor to Mr. Yeltsin as president.

Mr. Luzhkov raised eyebrows the other day by criticizing Mr. Chernomyrdin. But on Tuesday, he insisted that he had not talked to Mr. Yeltsin about taking Mr. Chernomyrdin's place. "I am already head of the Moscow government," he said. "Isn't that enough?"

As Moscow speculated about just who might be nominated, Mr. Chernomyrdin sought to demonstrate that it was too soon to write his political obituary. His aides issued a blizzard of decrees and statements intended to show that their man was on the job and in control of the situation.

Mr. Chernomyrdin, they announced, had signed decrees on customs duties, bank policy and personnel. And he ordered a reduction of the excise tax on oil production, a measure clearly favored by the oil industry.

All told, Mr. Chernomyrdin has signed 67 resolutions and 58 directives



With the products sold out, a police officer and two men standing Tuesday in a Moscow shop have nothing to guard or little to do but wait.

since he was appointed acting prime minister last month, his spokesman proudly boasted.

As the politicians caught their breath before another round of wrangling and intrigue, even they agreed that Russia would pay a heavy price if they allowed the circus to go on much longer.

"It is impossible to calculate the budget in these conditions," said Alexander Zhukov, chairman of the Duma's Budget Committee.

■ London Meeting Delayed

A meeting of Foreign Ministry and Finance Ministry officials from the Group of Seven leading industrial nations that had been called for Saturday to discuss the Russian crisis is now likely to take place on Monday, Reuters reported from London.

In addition to the G-7 — Canada, the United States, France, Germany, Italy, Britain and Japan — officials from the International Monetary Fund and the World Bank are to attend the talks.

ASIANS: Jobless Migrants Forced Home

Continued from Page 1

precedented downward spiral, these laborers are the first to be laid off.

The result has been a dramatic reversal of the traditional village-to-city migration pattern that transformed Thailand and other Southeast Asian countries from predominantly agricultural to mainly industrial societies in one generation.

"The migration patterns have reversed in Thailand," said Kul Gautam, the East Asia and Pacific regional director for Unicef.

"Before, people went from the countryside to the big city, for the bright lights, the jobs and so on. Now it's the other way around. People are going back to the villages. That is putting pressure on the village economies. They had grown used to these people being in the cities."

"There are no jobs in the villages," said Graziano Battistella, director of the Scalabrini Migration Center in Manila, which tracks the movement of people in the region. "Unless these people have some entrepreneurial skills, or some cash, it's very difficult for them to be any job creation."

"But from a government's perspective," she added, unemployed "people in the villages are much less visible than people in cities."

The new flow of people is not just confined inside national boundaries; indeed, the economic crisis has created a mass movement across the region, reversing the traditional migration paths.

During the boom years of the 1980s and early 1990s, workers from the poorer Asian countries, such as Indonesia and particularly the Philippines, flocked legally and illegally to such wealthier countries as Malaysia and South Korea, and also to Hong Kong, to make up for acute labor shortages.

Foreign workers in Hong Kong built much of the new \$20 billion airport. Migrant labor built the huge Malaysian road network and its high-tech cybercity, Kuala Lumpur, as well as the Winter Olympic Village in Nagano, Japan. Tens of thousands of Philippine domestic helpers have fanned out through Hong Kong, Singapore and Japan.

But when the economic downturn hit in the middle of last year, among the first — and most popular — acts of governments around the region was to send migrant workers home, restrict the entry of newcomers and begin cracking down on illegal labor. Those once welcomed are now largely scorned.

"We planned to go to Bangkok, to work as housemaids," said Rai, an 18-year-old woman from Laos, Thailand's poor and isolated neighbor. She was staring forlornly from behind the metal bars of the small cell at the Singorabhom district police station, in the northeastern Thai province of Surin.

"We are poor at home," Miss Rai's home is an impoverished village in the Champasak Province. In search of jobs and a better life, she and a group of friends — five females, two

males — took a boat across the Mekong River, caught a bus in Ubon Ratchasima and made it as far as Surin before Thai police apprehended them and nine other illegal Laotian migrants.

"We weren't sure if we'd get a job in Bangkok," Miss Rai said. "But we were willing to take the risk."

In better times, when work was plentiful and the Thai economy was expanding, the police might have turned a blind eye to this group of illegal job-seekers. But word of the Asian crisis apparently has not yet reached rural Laos.

"I didn't know about a crisis in Thailand, that people were losing their jobs," Miss Rai said.

Since the crisis began, Thailand has deported an estimated 250,000 migrants — mostly Burmese. South Korea granted an amnesty for illegal foreigners who left voluntarily — meaning they would face no fines or jail terms — and about

50,000 did so. Malaysia, another crisis-stricken country, deported about 50,000 Indonesian migrants, out of a total migrant worker population of roughly 2 million, legal and illegal.

Still, most of the migration — and the new reversal of movement — has come not across borders but within countries.

"International migration is the one that gets the attention," said Miss Battistella in Manila. "But internal migration is the much wider phenomenon."

The influx of returning migrants to rural villages brings with it a host of new problems and urban pathologies previously unknown, or at least rare, in these remote areas.

There is concern that ever more people are living in crowded conditions, and that this will lead to increased tension in families — more spousal abuse, more child abuse. Crime is on the rise. And experts worry about a new spread of the human immunodeficiency virus, which causes AIDS.

"There's been a massive return of people to rural areas who had been living in cities," said Robert Bennoun, a Unicef official who is also an adviser to the UN program on HIV/AIDS. "The hospitals are filling up."

"They're going at a time when the communities are already wiped out by the economic crisis," he added. "People are going back with HIV at a time when the health services are particularly stretched."

Advocates for the poor and newly unemployed have suggested that Bangkok has an ulterior motive in its strategy of asking the unemployed to return to their villages: to prevent the buildup in the capital of a critical mass of unemployed.

"The recent government policies to help the poor, such as loans for the unemployed," said Suriya Thonguead, an adviser to Forum of the Poor, an advocacy group, seek "only to delay the social unrest. It doesn't help solving the real problem of poverty among the majority."

"I can't see any way out for the unemployed workers who go back to die in the village."

JAPAN: Economic Planning Chief Warns of 'Severe' Threat of Deflationary Spiral

Continued from Page 1

be \$7.6 billion in the hole, if banks were required to write off significant portions of their bad loans. "The amount of bad loans has expanded like a snowball sliding down a slope," said Seiichi Kajiyama, a Liberal Democratic Party politician and banking-reform advocate who ran against Keizo Obuchi this summer for the post of prime minister. In an article for the October edition of "Bungei Shunju" magazine, Mr. Kajiyama wrote that the \$229 billion in rescue funds approved by the government last winter was sufficient then to deal with the banking problem. "But since the government has not thoroughly dealt with the bad-loan problem, Japan is now at a critical stage," where even \$382 billion might not be enough, he said, according to Reuters.

Mr. Kajiyama criticized the Liberal Democratic Party for preparing to inject possibly billions of dollars into the ailing Long-Term Credit Bank of Japan Ltd. without explaining whether this would solve its problems. The party's "soft-landing" approach has led it to try to force Sumitomo Trust & Banking Co. to take over Long-Term Credit. Despite intense pressure from Mr. Obuchi, Sumitomo Trust so far has balked at the plan, because the government wants it to continue to lend to many of the shaky customers at Long-Term Credit Bank.

Analysts have said such a merger could weaken Sumitomo Trust. Nevertheless, to try to change Sumitomo Trust's mind, the party plans to pour massive amounts of public funds into Long-Term Credit. The opposition parties have blocked this plan, up until now, saying they would not agree to a bailout until the government disclosed the extent of Long-Term Credit's bad loans, which the government has refused to do. The opposition has said the banking industry must be consolidated and a few of the weakest banks should be allowed to fail. But Kyodo news service reported Tuesday that the opposition parties might be backing down on their disclosure demands.

Because the government has refused to reveal Long-Term Credit's financial condition, there is widespread speculation that it is insolvent, something the Liberal Party has denied. Banking experts speculate the party does not want to admit Long-Term Credit's dire finances for political reasons. Last winter, the government stipulated the bank was not insolvent when it gave Long-Term Credit and other top banks a cash injection.

Another concern for policymakers is that bank failures can hurt profits in other industries, which are already reeling from Japan's recession. That is because under Japan's traditional business structure, Japanese corporations were expected to buy the stocks of their main banks. In fact, about 25 percent of all of Japanese bank shares are held by nonfinancial corporations in Japan, according to Craig Chudler, a strategist at Salomon Smith Barney. So a bank failure can wipe out a hefty portion of a corporation's assets.

Despite the focus on Long-Term Credit, analysts warn that Japan's banking troubles are more widespread. "I think there are other banks, more than a couple, in a shape similar to Long-Term Credit Bank," said Mr. Ikuyo.

One bank with large amounts of problem loans, Sakura Bank, last week announced it would seek an emergency infusion of \$2.3 billion cash from Toyota Motor Corp. and Mitsui Group. Sakura Bank has been the main bank of Mitsui, which includes 80 core companies and about 2,000 other closely linked firms.

James McGinnis, a banking analyst with Dresdner Kleinwort Benson, said the corporate bailout might help the banking system, if Sakura Bank used the opportunity to radically restructure to become profitable. But he said he saw no indication that would happen. Other experts questioned whether companies would have enough cash to bailout Sakura Bank, given their own falling profits.

GERMANY: Unemployment Drops but Stays Above Kohl's Target of 4 Million

Continued from Page 1

unemployment," in the words of Oskar Lafontaine, chairman of the Social Democratic Party.

Mr. Lafontaine beat Mr. Kohl with his own yardstick, saying, "With more than 4 million unemployed, the Kohl government should be voted out of office."

Franz Muntefering, the campaign manager for the Social Democrats, said Mr. Kohl had artificially created half of the August decline by pumping funds into job-creation programs and said most of the jobs would lose their funding after the election.

After the Federal Labor Office released the August figures, Mr. Kohl attempted to reassure voters that unemployment would fall below 4 million in September. Those figures, however, will not be

published until early October, after the election.

"I assume that the number of unemployed will fall under 4 million in the coming month and that we will have fewer unemployed in the full year as in 1997," he said. "The positive trend has stabilized. In some sectors, there is a shortage of labor."

But Dieter Roth, executive director of the Mannheim-based Election Research Group, an independent political research firm, said that by setting the 4 million goal and then missing it, Mr. Kohl's campaign had lost credibility.

"Getting unemployment under 4 million would have helped improve the mood," Mr. Roth said. His polls show that economic confidence among voters has fallen since July, and he said he expected sentiment to sour with the latest jobs report.

Most polls show that Mr. Kohl's Christian Demo-



Tom Carper, left, governor of Delaware, being welcomed by Prime Minister Keizo Obuchi of Japan as the governor paid a courtesy call to Mr. Obuchi in Tokyo on Tuesday.

crats trail the Social Democrats — and their candidate for chancellor, Gerhard Schroeder — by 3 to 6 percentage points, although the gap has been narrowed significantly from earlier this year. Polls show the most likely governing coalition after September will feature the center-left Social Democrats in an alliance with the far-left Green Party.

With about a quarter of German voters still undecided, Mr. Kohl had hoped to erase Mr. Schroeder's lead in part by boasting of falling unemployment and stronger growth and by warning that a "red-green" government could squander the economic momentum.

Mr. Kohl's economic credentials could suffer another setback Wednesday, when the Federal Statistics Office is expected to report that the economy did little more than stagnate in the second quarter.

مكتبة الامم المتحدة

INTERNATIONAL

Rebels Pledge To Fight On as Talks Fail on Congo Truce

VICTORIA FALLS, Zimbabwe — Southern African leaders failed Tuesday to secure a cease-fire in Congo, and Tutsi-led rebels, kept apart during peace talks, vowed to intensify their struggle.

A seven-nation summit meeting convened in Victoria Falls by President Robert Mugabe of Zimbabwe ended with a new commitment to the search for a cease-fire in the Democratic Republic of the Congo, but without any timetable for ending the conflict, which now involves six nations in the region.

A rebel delegation headed by Arthur Z'ahidi Ngaha, deputy president of the Congolese Democratic Coalition, left the meeting place without a face-to-face encounter with President Laurent Kabila of Congo and his allies, Mr. Mugabe, President Jose Eduardo dos Santos of Angola and President Sam Nujoma of Namibia.

"We are going back home now to do one thing only, to intensify our campaign against Kabila," Mr. Ngaha said.

"There will be no cease-fire before Kabila negotiates with us directly," he said as he and his team left the resort in Victoria Falls where the meeting was held.

One analyst of the region, Greg Mills, said in Johannesburg that the failure of Mr. Mugabe's initiative had come as a surprise after preparatory work by leaders at a Njalling Movement meeting in South Africa last week.

"I think it's a very negative development," he said. "They're not going to make any progress until they agree that the rebels should be at the table."

The talks began Monday with no sign of a lull in the fighting in the former Zaire, where Mr. Kabila overthrew the dictator Mobutu Sese Seko 16 months ago.

Hundreds of soldiers and civilians have died in the conflict that erupted Aug. 2. On Tuesday, diplomats in Kinshasa, the Congolese capital, said the city faced a potentially explosive food crisis with fighting blocking the movement of supplies to the city's 5 million inhabitants.

Remaining stocks of food and chemicals used for water treatment are estimated to be enough for four days at the most.

European diplomats said that Mr. Kabila's government had asked Western countries to help set up an emergency air corridor to supply Kinshasa,



Bizima Karaha, spokesman for the rebels, speaking Tuesday after talks failed to secure a cease-fire.

but that there is no sign that authorities can guarantee the safety of aircraft.

"There are not more than four days of food stocks left in Kinshasa," said Ibrahim Jabr, the resident head of the United Nations children's agency, Unicef.

Talks a Delicate Dance

Lynne Duke of The Washington Post reported from Victoria Falls:

With so many players involved in the Congo conflict, the talks became a delicate dance involving varied strategic agendas, regional grudges and protocol demands. Central to the discussions was a disagreement over the true nature of the rebellion and its protagonists — the Congolese Democratic Alliance. Mr. Kabila and his allies refuse to recognize the alliance as an independent entity; they view the rebels as puppets of Rwanda and Uganda and describe the war as the invasion of Congo by its eastern neighbors.

Neither Rwanda nor Uganda acknowledges backing the rebels, but numerous diplomats and witnesses attest to their involvement, and sources say Uganda even has tried to negotiate safe passage for Ugandan troops trapped in one of the Congo war zones.

Here in Victoria Falls, meanwhile, an Angolan diplomat said that the Congolese rebels "at this stage, are irrelevant." He added: "We are addressing aggression. We are addressing invasion."

But many analysts believe that Angola's motivation for its involvement in Congo is more fundamental, that it seeks to prevent any regional disorder that might benefit Angola's former rebel movement, which some reports say has fought alongside the anti-Kabila forces.

BRIEFLY

Nigeria Releases 20 In '94 Chiefs' Deaths

LAGOS — A Nigerian court has freed 20 Ogoni minority activists who had been detained since 1994 on charges of murdering four pro-government chiefs, colleagues of the 20 reported Tuesday.

They said the youths — facing the same murder charge for which Ken Saro-Wiwa, the writer, and eight others were executed in 1995 — were freed Monday by a court in the southeastern city of Port Harcourt. Supporters said the releases were "unconditional."

An international outcry followed the execution of Mr. Saro-Wiwa and his colleagues, which was ordered by General Sani Abacha in defiance of worldwide pleas for clemency. The dictator died in June.

Settlers in West Bank Hostile to U.S. Envoy

ADAM GEVA BINYAMIN, West Bank — Jewish settlers in the Israeli-occupied West Bank had just one message for Dennis Ross, the U.S. Middle East peace envoy, on the eve of a visit to the region — "Stay home!"

Mr. Ross is to arrive Wednesday to try to wrap up a deal on a long-delayed Israeli handover of more West Bank land, which was conquered by Israel in the 1967 war, to Palestinian Authority administration.

"I want to tell Mr. Ross not to waste his time," said Yitzhak Elmalin, a retired policeman living at the Adam Geva Binyamin settlement, between Jerusalem and Ramallah. "He should stay home."

40 Killed in Brazil In Bus-Truck Crashes

SAO PAULO — At least 40 people were killed Tuesday when two tour buses carrying Roman Catholic pilgrims collided with two gasoline trucks in southeastern Brazil and exploded, local authorities said.

"There are between 40 and 50 people dead and it seems likely the number will grow," said Marcos Santos, a policeman in Perassunga, 180 kilometers (110 miles) northeast of Sao Paulo.

The tour buses were carrying worshippers returning from the Basilica of Our Lady of Aparecida, a shrine to Brazil's patron saint in the town of Aparecida.

Brazil has one of the highest rates of highway-accident fatalities in the world.

BOOKS

THE CHAN'S GREAT CONTINENT

China in Western Minds

By Jonathan D. Spence. 279 pages. \$27.50. Norton.

Reviewed by Judith Shapiro

ONE measure of a country's greatness, argues Jonathan Spence, is its hold on the attention and imagination of others. His new book offers a cornucopia of evidence for the West's fascination with China.

Here is China glimpsed in the writings of traders, diplomats, missionaries, novelists, poets and adventurers. Some of these writers never visited China; others lived and died there.

Some studied the language, most did not. For some, China was a central preoccupation; for others, it was a lens through which to refract other concerns. Some wrote of China, others (like Mark Twain and Bret Harte) of Chinatown, and still others (like Marco Polo, who famously failed to mention tea, calligraphy or foot-binding) may not have been writing about China at all.

Their images of China, or

what Spence calls "sightings," are so marvelously varied and inconsistent that he concludes, "The secret lies in the ear, the ear that hears both what it wants and what it is expecting." Surely there are lessons here concerning Western perceptions of China in our own time, which also, all too often, reveal more about the observer than the observed.

This slim and (because Spence hoped to avoid a catalogue effect) deliberately less-than-comprehensive volume skims across the material like a skipping stone.

"The Chan's Great Continent" is an entertaining journey through longing, desire, misunderstanding, fear and revulsion.

One is tempted to quibble with Spence's 48 selections, arrayed across 700 years, from 1253 to 1985. There is not enough on Karl Marx and his controversial hypothesis about a stagnant "Asiatic Mode of Production," which caused theoretical headaches for his Chinese Communist followers. There are poignant accounts by missionaries in Han Chinese areas, but nothing from those who served among ethnic minorities. And

where are John King Fairbank, Theodore H. White, John Service, Owen Latimore, Han Suyin, Anna Louise Strong, Jean Pasqualini, Harold Isaacs and William Hinton?

One might cavil at the inclusion of "sightings" from literary figures and philosophers whose knowledge of China was secondhand at best. Yet it is not Spence's purpose to draw conclusions over accuracy. Rather, he "seeks to give a sense of the multiplicity of intellectual and emotional attitudes that Westerners have brought to their attempts to deal with the phenomenon of China" and give testimony to China's "capacity to stimulate and to focus creative energies at specific moments in time."

In this sense, the book is a fascinating exploration of the diversity of cross-cultural response. The China of the Western mind is a source of endless curiosity, but ultimately it is unknowable and beyond reach.

Spence's grab bag includes early "sightings" from Marco Polo, Catholic missionaries and the first Portuguese and British diplomats. Polo described China as a benevolent dictatorship. The Jesuit Matteo Ricci had a similarly favorable view of a "vast, unified, well-ordered country, held together by a central controlling orthodoxy, that of Confucianism."

In the late 19th century, ambivalence toward foreigners was pronounced: Britain's Lord Macartney found himself "narrowly watched," his curiosity about China unwellcome.

Enlightenment-era "sightings" from Montesquieu, Voltaire and Leibniz explain

China's perceived stagnation through a preoccupation with the past and the difficulty of the language.

"Women observers" include Eva Jane Price, who lost two small sons to disease before she was killed in the 1900 Boxer Rebellion. Her "sighting" conveys the poignant isolation of a foreigner's life in the Shanxi hinterlands.

At home, Twain and Harte's portraits of Chinatowns make lively reading. Both writers condemned American bigotry while promoting stereotypes of pidgin English, crooked gambling, opium dens and filthy Chinatowns. There is more: Spence provides chapters on 19th-century French exoticism (Pierre Loti, Paul Claudel); on American exoticism (from the scholarly Ezra Pound to the earthy Pearl Buck); on the political radicalism of Andre Malraux, Bertold Brecht and Edgar Snow; on those entranced with China as a power center (historian Karl Wittfogel and also Richard Nixon and Henry Kissinger); and finally, on China in the work of three literary geniuses, Franz Kafka, Jorge Luis Borges, and Italo Calvino.

To what does this add up? Spence is of little help here, calling the West's receptivity to things Chinese "a mystery." But if there is a message in this kaleidoscope of images, it is that, from the first contact, China has provided the West with a prism for a dizzying display of contradictory impulses and tendencies.

Judith Shapiro, co-author, with Liang Heng, of "Son of the Revolution" and "After the Nightingale," wrote this for The Washington Post.

BEST SELLERS

| The New York Times | | |
|--|-----------|---------------|
| This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on the list are not necessarily consecutive. | | |
| FICTION | | |
| This Week | Last Week | Weeks on List |
| 1 RAINBOW SIX, by Tom Clancy | 1 | 3 |
| 2 THE FIRST EAGLE, by Tom Clancy | 3 | 4 |
| 3 I KNOW THIS MUCH IS TRUE, by Judy Blume | 2 | 10 |
| 4 SUMMER SISTERS, by Judy Blume | 5 | 14 |
| 5 POINT OF ORIGIN, by Patricia Cornwell | 4 | 7 |
| 6 MESSIAH IN A BOTTLE, by Nicholas Sparks | 6 | 20 |
| 7 BRIDGET JONES'S DIARY, by Helen Fielding | 7 | 12 |
| 8 MEMOIRS OF A GEISHA, by Armin Greder | 10 | 41 |
| 9 A NIGHT WITHOUT ARMOR, by John Grisham | 8 | 7 |
| 10 THE KIDNAP AND I, by Danielle Steel | 9 | 10 |
| 11 A WIDOW FOR ONE YEAR, by John Irving | 12 | 17 |
| 12 MOON MUSIC, by Faye Kellerman | 11 | 2 |
| 13 COAST ROAD, by Barbara Delinsky | 13 | 5 |
| 14 COLD MOUNTAIN, by Charles Frazier | 14 | 61 |
| 15 LOW COUNTRY, by Anne Rivers | 15 | 8 |
| NONFICTION | | |
| 1 TUESDAYS WITH MORRIE, by Mitch Cullin | 1 | 46 |
| 2 THE DAY DIANA DIED, by Christopher Anderson | 2 | 2 |
| 3 A PIRATE LOCKS AT FIFTY, by Jimmy Butler | 3 | 12 |
| 4 ANGELA'S ASHES, by Frank McCourt | 5 | 109 |
| 5 A WALK IN THE WOODS, by Bill Bryson | 6 | 13 |
| 6 THE NEXT DOOR, by Thomas H. Stanley and William D. Danko | 4 | 85 |
| 7 CITIZEN SOLDIER, by Stephen E. Ambrose | 8 | 23 |
| 8 A MONK SWIMMING, by Malachy McCourt | 7 | 12 |
| 9 WE ARE OUR MOTHERS' DAUGHTERS, by Cokie Roberts | 10 | 18 |
| 10 THE GIFT OF THE JEWS, by Thomas Cahill | 12 | 21 |
| 11 CONVERSATIONS WITH GOD: Book 1, by Neale Donald Walsch | 11 | 90 |
| 12 TITAN, by Ron Chernow | 9 | 14 |
| 13 THE MAN WHO LISTENS TO HORSES, by Monty Roberts | 14 | 55 |
| 14 MIDNIGHT IN THE GARDEN OF GOOD AND EVIL, by John Grisham | 15 | 216 |
| 15 THE ROARING 20s, by Harris S. Dear Jr. | 1 | 1 |
| 16 ADVICE, HOW-TO AND MISCELLANEOUS | | |
| 17 SUGAR BUSTERS, by H. L. Hunt | 1 | 17 |
| 18 THE 9 STEPS TO FINANCIAL FREEDOM, by Steve Oren | 2 | 22 |
| 19 MEN ARE FROM VENUS, by John Gray | 3 | 233 |
| 20 IN THE MEANTIME, by Lynne Vonnort | 4 | 14 |

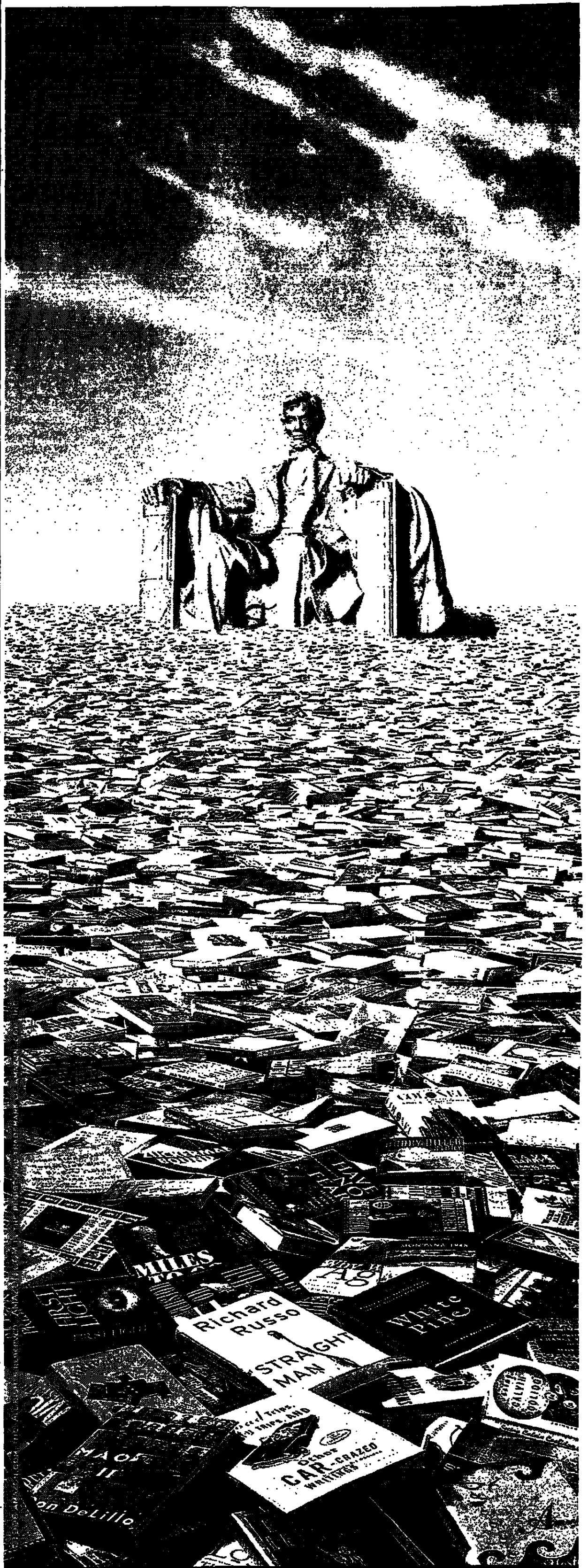
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Premiere Of Albee

Another Rendition Of 'Get the Guests'

By Sheridan Morley
International Herald Tribune

LONDON — Like his great contemporary Arthur Miller, Edward Albee now does us the honor of premiering his plays on this side of the Atlantic, and though "The Play About the Baby" (Almeida) may not quite pack the punch of his last, "Three Tall Women," or indeed of such earlier classics as "Who's Afraid of Virginia Woolf?" and "A Delicate Balance," it has an eerie power to haunt the shadows at the back of consciousness.

The baby of the title is essentially the one that George and Martha either had or invented all of 35 years ago in "Virginia Woolf," and once again the game is Get the Guests, except that this time the roles have been reversed. It is now the young couple (in suitably wan performances by Zoe Waites and Rupert Penry-Jones) who have apparently given birth, while the older couple are the visitors come to wreak havoc from who knows where.

Albee's debts here are, in no particular order, to Pirandello, Priestley and Pinter, and if by the end of a brief couple of hours they have not entirely been repaid, the fascination of his absurdist slant on the stage games they started more than half a century ago keeps us guessing happily enough.

Alan Howard in particular has caught the mood impressively here. An elegant uninvited guest, he seems to be exactly what Godot would be like if he ever bothered to show up. Smug, quizzical, powerful and yet terminally bored, he is apt to drift off into monologues about the impossibility of theatrical intervals or the absence of sufficient ladies' washrooms, while his opposite number, Frances de la Tour, contents herself with a wildly and wonderfully incorrect mockery of the new tradition of signing plays for the deaf.

Their more serious business we never discover, though de la Tour does want us to know that a man once killed himself for want of her, and Howard is clearly the inspector who has called, like Priestley's, to bring earthlings to their senses — or at the very least a greater



Mary Louise Wilson as Vreeland in "Full Gallop" at the Hampstead.

awareness of their constant peril.

Here in Albee's woods we get a thriller as well as a puzzle play and a vaudeville, all wrapped in an enigma of considerable if patchy brilliance; the only real problem is that having taken us deep into an impenetrable maze, Albee as usual loses interest in getting us out of it or even bothering to explain how it originally grew that way. On the other hand, he never said he was in the sign-writing business.

At Hampstead, "Full Gallop" is the story of an alternative Diana, this one not royal but certainly regal. Mary Louise Wilson co-writes (with Mark Hampton) and stars in a solo show about Diana Vreeland, who edited American Vogue in the 1960s and '70s. She it was who first told us to "think pink," and she it was who was immortalized by Kay Thompson in the Fred Astaire-Audrey Hepburn "Funny Face" as the fashion editor from hell.

"Full Gallop" owes a lot to "Tru,"

the very similar monologue about Truman Capote. Again we catch the central figure about to give a dinner party, again the information we need usually comes through a series of one-sided phone conversations, and again there is an off-stage slave who can be regularly shouted at to give some impression of real life beyond the doors of the salon.

The problem once again is deciding whether or not the character matters enough for us to spend a couple of hours in his/her undiluted company. Clearly Vreeland was yet another sacred monster, and clearly she does matter enough to Americans for "Full Gallop" to have enjoyed a lengthy life off-Broadway. Over here, I am not so sure of her chances; the truth is perhaps that Vreeland was only as interesting as the people around her, and here there are none.

As actress and co-author, Wilson does a really good Vreeland, neither hatchet job nor fan worship, but instead a serious attempt to understand why she once so mattered, if only to the Beautiful People she helped to invent.

Slaughter and Sentiment In Venice, a European View of 'Private Ryan'

By Roderick Conway Morris
International Herald Tribune

VENICE — Steven Spielberg's "Saving Private Ryan" opened the 55th Venice Film Festival, and through European eyes at least, was awesome not only for its welter of blood and gore but also for the depths of sentimentality it plumbed — a stomach-churning combination.

Certainly the extended opening sequence of the slaughter on Omaha Beach is a brilliant piece of cinematography and perhaps comes as close to showing it the way it was as film fiction has ever done. But after this, the whole enterprise seriously loses its focus as Captain Miller (Tom Hanks) leads his patrol through the French countryside in search of Ryan, the last survivor of four brothers, whom the American top brass have ordered to be rescued and sent home.

The movie's publicity makes much of the fact that this is inspired by a true story, but the heroics Miller and his men set out owe more to the fantastic world of "The Magnificent Seven" and Indiana Jones than to anything that took place in Normandy. The Germans are depicted in a dehumanized, one-dimensional manner like the Indians in old-fashioned Westerns, implausibilities abound and the final scene is one of such contrived and exaggerated mawkishness that it positively makes one cringe.

Also shown out of competition was James Ivory's "A Soldier's Daughter Never Cries." It is based on an autobiographical novel by Kaylie Jones, and stars Kris Kristofferson as a craggy, lovable, font of wisdom Bill Willis, a World War II veteran and successful writer, and Barbara Hershey as his wife, Marcella. The film contains no scenes of combat, but nor does it contain anything resembling a beginning, middle or end, and is suffused with the kind of huggy soporific that families are entitled to enjoy in the privacy of their own homes, but that is best kept off the screen.

A still more problematic case is Anand Tucker's "Hilary and Jackie," the Brit-

ish-in-competition contender, on the life of the cellist Jacqueline DuPre, who was struck down by multiple sclerosis at the peak of a dazzling musical career.

This project had its origins in a recent book by her sister, Hilary, and Hilary's husband, Kipper, which broadcasts the vaguely titillating news that Jacqueline insisted on sharing Hilary's husband as though he were one of her sister's toys. Emily Watson puts in a good performance as DuPre, but it is impossible to forget in the concert scenes that here is a person merely pretending to play the cello. The morbid re-creation of DuPre's pitiful condition in the last

naire, is a work of diabolical banality and ponderousness.

The strongest contender in this category so far is the German Tom Tykwer's "Lola Rennt" (Lola Runs). Lola's boyfriend, Manni, a courier for a crooked car dealer, manages to mislay 100,000 Deutsche marks on the subway. He's got 20 minutes to find the loot or be bumped off by the boss and his heavies, and in desperation he phones Lola. At this point a series of possible sequences as scenarios within scenarios begin to unfold at breakneck speed in a suspenseful, witty, ironic, stylish and slickly shot drama.

Absolutely outstanding, however, is the scriptwriter Don Roos's debut film as writer and director, the gloriously politically incorrect, inventively narrated "The Opposite of Sex," which was premiered in the International Critic's Week section.

Christina Ricci, the former "Addams Family" monsterette, plays De-dee Truitt, the sassy, sluttish, 16-year-old peroxide trailer-trash, half-sister from hell, who runs away from home and arrives unannounced on the doorstep of her older sibling Bill (Martin Donovan), a sincere, kindly, caring small-town high school English teacher. Bill has inherited a large house



A scene from Don Roos's debut as director, "The Opposite of Sex."

and plenty of money from his gay lover, who has died of AIDS, along with the frustrated affections of his former lover's spinsterish, straitlaced and sharp-tongued school teacher sister Lucia (Lisa Kudrow). De-dee (who defines nice people as "losers") and Lucia only have to take one quick look at each other and to paraphrase John Osborne's Jimmy Porter, the age of chivalry is dead.

Ricci and Kudrow have a whale of a time with two of the best roles written for women in years, supported by excellent performances from the other members of the cast. Intelligent, snappy, hilariously funny, utterly un sentimental — De-dee's remark, "It's the kind of baby, you know, that if you feed it and play with it too much afterward, you throw up" is one of her least offensive observations — "The Opposite of Sex" is the antidote to goo and a delightfully bracing experience.

Two years later, the brothers decided to leave school. Melvin made an appointment with Brown and he said, "Remember me? I'm not a student any more." Sure enough, Brown offered to hire him. "Oh, by the way," Melvin said. "This is my brother Maceo. He needs a job too." Both of them were hired. Brown had never, not once, heard Maceo play. Maceo now thinks Brown thought that if his brother was so good, Maceo would be good too. He played on Brown's big hit "Out of Sight." He sings the part of it that goes "feelin' all right." He played baritone and then tenor and finally alto saxophone; which he still plays now.

By now, he's become so accustomed to being at the helm he can no longer remember what life as a sideman was like. His musicians have to be sure to stay in touch with him on stage, and he must stay in tune with the audience. His signals include touching an ear or rubbing an arm, like a third base coach; indicating a chord here or a ballad next. Sometimes he'll play "Georgia" in the middle of a set, sometimes as an encore, or not at all. His formula is "2 percent jazz, 98 percent funky stuff."

"Georgia" is not as funky as "Elephant Stepped on My Foot" on "Funkoverload." He keeps in shape by walking four fast miles a day. And he moves around for hours on stage. Maybe it looks like he's moving more than he is. He has learned how to pace himself. People tell him that music keeps you young, but he thinks it's his love for the music more than the music itself.

"Because I love it so much, everything else comes easy. I just enjoy bringing smiles to people's faces." He smiles and says: "Maybe it is music keeping me young at that. How should I know? I just don't know how to do anything else."

From Oct. 15 through November, Parker will tour Germany, France, Italy, the Netherlands, Belgium, Spain, Switzerland and Britain.

The Lingering Maceo Melody

By Mike Zwerin
International Herald Tribune

PARIS — If you believe Maceo Parker's press release, he is either the "Field Marshal of Funk," the "Architect of Groove" or the "Pied Piper of Positivism," who will "steal the gloom from young people's hearts and replace it (if only for an evening) with joyful music." Or all of the above.

It's not totally serious, mind you. That's exactly the point. Maceo Parker's music is anything but serious. The way he puts it: "We try to promote joy, loving, togetherness, laughter, fun and peace. It's about an all-around good time. People know that by now."

Ask Field Marshal Maceo why he was hired by James Brown — aka "The Godfather of Soul," "Soul Brother No. 1" and "the hardest-working man in show business" — before J.B. heard him play even one note: his answer is, "It might be the name. It's a good name. There's a kind of melodic thing about 'Maceo.'"

Maceo Parker Jr., now 55, plays a melodically funky saxophone and has picked up an entire new generation of fans. Pronounced MAY-see-oh, it is a good melodic name.

"Funky" has many definitions, but you do not have to understand what it means to get it. If "Maceo" is melodic, then "funk" is rhythmic. They are words that reflect upon themselves.

Funk has been defined as "healthy dirt." Maceo's funk is about happiness: "There are times when you need to be uplifted. People look in the newspaper and they say, 'Oh, Maceo Parker is coming to town / You can shake everything you got / Wave your hands in the air / Da-da-da da da da.'"

In their late teens and early 20s, his new fans are people who find popular vocal music to be insipid, and who cannot,



Maceo Parker: "I don't know how to do anything else."

or do not, want to feel obliged to analyze the fancy chords of modern jazz. They do, however, love to swing; they do not want some soupy singer and they certainly can dance.

Another line from the press release says: "Even without a socioeconomic analysis of how music reflects the changing times in which we live, one thing is clear: dance music will be and has always been at the forefront of these changes."

His son Corey recently started traveling with him, adding a rap element. "Having my son with me bridges the gap between business and family life," he says, and he attributes the following quote to Corey: "If you're hungry for blessings you'll drool because he's known for all-night lessons."

In the tune called "Maceo's Groove" on the new album "Funkoverload" (Cream Records), Corey also is responsible for the line "the junk you hear will cloud your ear." He says he was "kind of thinking along the lines of 'garbage-in-garbage-out.'"

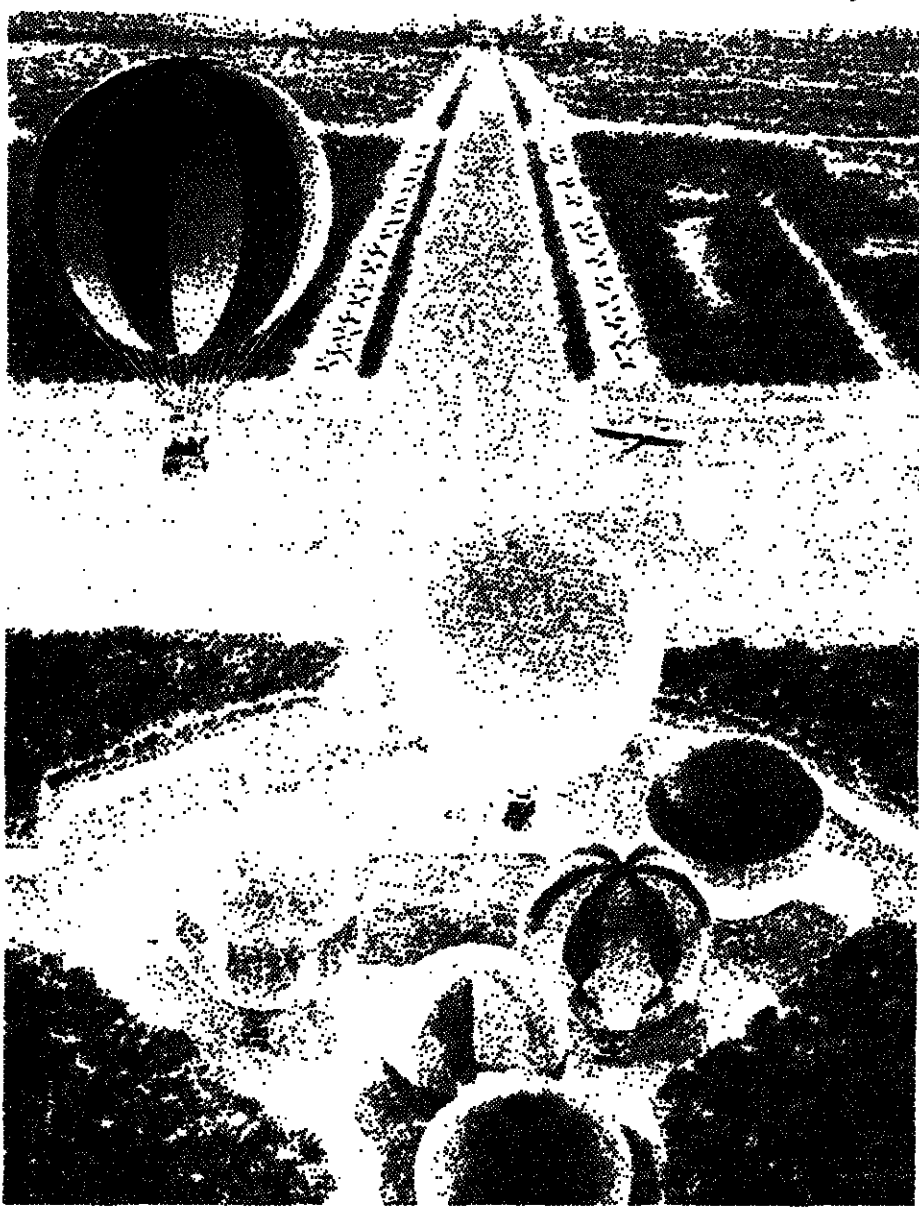
This may raise some eyebrows that were not already raised after reading about "socioeconomic analysis." Maceo sits up straight to ex-

plain it correctly: "It means that we're living in hard times. This is why what we do is important to me. In all of our lives there are going to be tragedies. Of either small or large dimensions. And because of our music the people can be uplifted. They forget all the garbage, the junk in their ear. What we do is worthwhile. Because we do bring a piece of love and joy for a moment. Just one moment. But it's enough. We're proud of that."

THE funky Maceo craze continues to grow almost two generations after it began. This story goes back to one night in 1962. James Brown was working in Parker's home town of Kingston, North Carolina. Maceo was, as he puts it, "out of state" with his band. His brother Melvin, a drummer, was playing at home in a grill where Brown happened to stop for a post-performance bite. (He was already a star.)

He introduced himself to Melvin: "I'm James Brown. I sure like the way you play." When told the story later, Maceo was not surprised: "Melvin was really into funky

42nd Gordon Bennett Cup Century of Aviation



September 12, 98 • Tuileries Gardens • Paris Take-off of the « Gordon Bennett Cup »

This year Paris is the site of the world's most prestigious gas balloon race.

• First day cover issue of « Aéro-Club de France 1898-1998 » stamp and Saint-Exupéry's « Le Petit Prince » 5-stamp sheet.

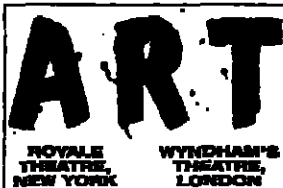
• 7PM Take off of « La Poste » balloon with letters mailed on site.

• 8PM Inflating of gas and tethered hot-air balloons.

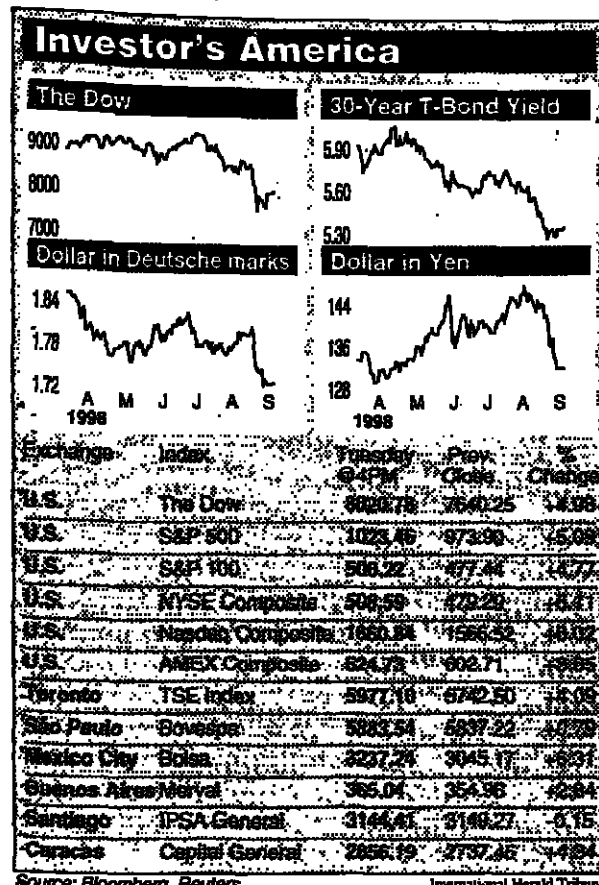
• 11PM Take off of the 22 Gordon Bennett Cup competitors.

September 10-27, 1998 • on the Champs-Élysées
« Champs d'Aviation » Exhibition

A unique look back over a century of aviation featuring 50 aircraft, plus objects and accessories.



THE AMERICAS



Very briefly:

- Goldman, Sachs & Co. told employees it planned to go ahead with its initial public offering, despite the plunge in the stock market. The 129-year-old partnership is preparing to sell stock for the first time in November.
- Guy Gannett Communications is selling its seven television stations to Sinclair Broadcast Group Inc. for \$310 million, completing the family-owned media company's plan to sell off its assets.
- H.J. Heinz Co. said earnings for the financial first quarter, which ended July 29, rose 13 percent, to \$223.3 million, as lower costs offset the impact of the strong dollar.
- Metropolitan Life Insurance Co., the second-largest U.S. life insurer, plans to cut about 10 percent of its administrative work force of 19,500 by the end of 1998.
- AMP Inc. asked shareholders to reject AlliedSignal Inc.'s \$9.8 billion bid for the maker of electronic connectors, calling the offer inadequate.
- Coca-Cola Co. said Chris Lowe would become president of the Central America and Caribbean division on Oct. 1, succeeding Stu Cross.

| The Trib Index | | | | |
|--------------------------------------|--------|--------|----------|-----------------------|
| Prices as of 4:00 P.M. New York time | | | | |
| Jan. 1, 1992 = 100 | Level | Change | % change | Year to date % change |
| World Index | 178.45 | +0.82 | +0.46 | +3.68 |
| Regional indices | | | | |
| Asia/Pacific | 76.88 | +0.26 | +0.34 | +20.18 |
| Europe | 218.53 | +0.20 | +0.09 | +13.20 |
| N. America | 234.86 | +2.79 | +1.20 | +8.74 |
| S. America | 78.44 | -2.88 | -3.54 | -48.82 |
| Industrial indices | | | | |
| Capital goods | 239.11 | +3.51 | +1.49 | +15.75 |
| Consumer goods | 221.79 | +0.77 | +0.35 | +5.75 |
| Energy | 188.15 | -0.22 | -0.12 | -3.49 |
| Finance | 121.29 | +0.42 | +0.35 | +3.10 |
| Healthcare | 145.23 | +0.30 | +0.21 | +2.00 |
| Materials | 153.00 | +0.01 | +0.01 | +1.00 |
| Services | 194.19 | +0.59 | +0.30 | +11.40 |
| Utilities | 157.79 | -0.38 | -0.24 | -5.44 |

The International Herald Tribune World Stock Index tracks the U.S. dollar value of 200 internationally investable stocks from 25 countries.

Compiled by Bloomberg News.

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Switzerland 0800-98-7233 USA 800-994-5757 UK 0800-90-2248

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AMEX

Tuesday's 4 P.M. Close
The 200 most traded stocks of the day, up to the closing on Wall Street.
The Associated Press.

| Stock | High | Low | Open | Close |
|-----------------|---------|---------|---------|---------|
| IBM | 117 1/2 | 117 1/4 | 117 1/4 | 117 1/2 |
| Microsoft | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Apple | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Oracle | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Sun | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| HP | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Intel | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Motorola | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Qualcomm | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Verizon | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| WorldCom | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| AT&T | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Comcast | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Time Warner | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| News Corp. | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Disney | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Amgen | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Genentech | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Novartis | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Pfizer | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Merck | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Roche | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Schering-Plough | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Abbott | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Amgen | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Genentech | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Novartis | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Pfizer | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Merck | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Roche | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Schering-Plough | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |
| Abbott | 54 1/4 | 54 1/4 | 54 1/4 | 54 1/4 |

Silicon Valley Sticks With Stocks

By Sam Howe Verhovek
New York Times Service

MENLO PARK, California — With all due respect to Main Street investors who grew a bit faint when the Dow Jones average plunged 6.4 percent in a day last week, the young workers riding their stock options on Silicon Valley's roller coaster have a message: Really, that's nothing.

At Onsale Inc., an on-line auction house where, like many ventures in the Internet field, virtually every employee has a package of stock options that may or may not be a big part of their net worth some day, wild swings in the company's stock price go with the territory.

In the year and a half since the company went public, the stock has been as low as \$4.625 a share and as high as \$36.825, with plenty of dips and rises along the way. In the past week alone, it careened from a low of \$13.875 to a high of \$21, finally closing at \$16.75 on Friday. On Tuesday, it traded at \$18.

"You get used to it after awhile," said Jack Herndon, 30, the director of installed base marketing at Onsale, a cyber auction house that sells an eclectic array of goods, from computer equipment to rattle-snake meat to a human-shaped inflatable rubber device used for boxing practice known as the Slam Man.

"I came here from a company that went from an all-time high to an all-time low in a matter of months," Herndon said with a shrug. "One day it went from 42 to 24 overnight, then down to 11. I watched in 36 hours a significant amount of money not yet in my wallet burn before my eyes. It happens."

More than in almost any other industry, stock options have fueled the boom in Silicon Valley and in other regions of the country where high technology and Internet businesses are congregated, allowing start-up companies to pay smart, ambitious workers a relatively low sal-

ary — along with the promise of great riches if their sweat and creativity help these ventures succeed. Along the way, that phenomenon seems to have sparked a unique brand of investment psychology that can be gleaned from talks with employees like those at Onsale, each of whom describes his or her own method of coping with the kind of volatility that might turn the stomachs of the most hardened investors.

"Honestly, O.K., I do check the price at least once a day, just to see where it is," said Debbie Rodriguez, 29, a customer service supervisor. "But I don't calculate what it's all worth when it goes down. I calculate it for its potential, what I think it's really worth because I know how hard everybody at this company is working, and that helps."

Stefanie Elkins, 29, a manager of investor relations, said, "The swings are all a part of the game, the whole Silicon Valley mentality. I think there's a whole, almost pioneer attitude, especially with Internet companies — it's, 'Let's try this, let's see if we can get it to

work, let's see if we can get it to a point where the stock options are really worth something.' There's a thrill in trying. If it doesn't work, you move on."

Robert Petrossian, a vice president for engineering at Onsale, said short-term swings in the stock market are not the best way to measure the true value of a company in a fast-changing field such as the Internet. "Being human, I do watch the stock price," said Mr. Petrossian. "It's a way to see how other people value your work externally. But I'm at this company for the long term, and I have my own way of valuing the stock. And from day one, in terms of the fundamentals, nothing has changed."

Many employees insisted that stock options were not the main attraction that drew them to the company.

"The roller coaster is fun and it's interesting, but it's really not the reason I'm here," said John Dean, 39, the vice president in charge of a newly launched division offering travel products, including bidding for weekly time-shares in a Mex-

MARKET: Optimism on Wall Street

Continued from Page 1
other economies that would consider reducing interest rates.

Mr. Logan said, "He has pretty much given the market notice that they will ease if conditions warrant." This, he added, was not to say the Fed was planning to reduce rates, rather that it would be inclined to do so if developments threatened to halt U.S. economic growth.

Joseph Battaglia, chief of investment policy at Grunin & Co., said that given the sharp declines in American stock prices in recent weeks, the market was poised to rise. "If you look at all listed and over-the-counter securities, I would say that more than half of them are off by more than 30 percent if not more and another sizable percentage

are off more than 20 percent."

This, he said, was the result of investors taking "an extremely defensive tone" in response to currency weakness in many emerging economies, culminating in the Russian "meltdown."

With all that bad news factored into stock prices, Mr. Battaglia said, there is no reason for them to fall further. On the other hand, he continued, there were reasons to be optimistic about the situation in the developed Western economies.

"The United States and Europe can grow," Mr. Battaglia said. "They have stressed the high-tech industries and services and they are benefiting from the decline in commodity prices and low-end manufactured goods."

Mr. Logan was more cautious about the outlook for stocks than was Mr. Battaglia. Mr. Logan said that while stocks seemed fairly valued, bonds might prove to be a better investment in the near future. Over the past three years, he said, corporate profits had grown at annual rates of 15 percent to 20 percent.

Merrill Lynch & Co. predicted that the Fed would push down interest rates several times, and that the long-term Treasury bond yield would fall below 5 percent within nine months. The price of the benchmark 30-year bond fell more than a point Tuesday.

Weekend Box Office

The Associated Press

LOS ANGELES — There's Something About Mary dominated the U.S. box office over the weekend, with a gross of \$11.6 million. Following are the Top 10 moneymakers, based on the three-day Labor Day weekend.

| Rank | Title | Gross |
|------|--------------------------------|----------------|
| 1 | There's Something About Mary | \$11.6 million |
| 2 | Black | \$11.4 million |
| 3 | Saving Private Ryan | \$8.6 million |
| 4 | Knock Out | \$6.6 million |
| 5 | Ever After | \$4.4 million |
| 6 | 54 | \$4 million |
| 7 | Why Do Fools Fall in Love | \$3.6 million |
| 8 | Snake Eyes | \$3.1 million |
| 9 | New Stella Get Her Groove Back | \$2.1 million |
| 10 | The Parent Trap | \$2.1 million |

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

Standard & Poor's

NYSE

Nasdaq

AMEX

Trading Activity

NYSE

AMEX

Dividends

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Per Amt Rec Pay

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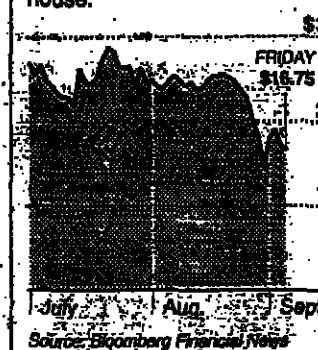
Per Amt Rec Pay

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Ups and Downs

Daily closing stock price of Onsale Inc., an on-line auction house.



Source: Bloomberg Financial News

NYT

can beach condominiums.

"The Internet companies have grown up in an environment where this idea is a part of the culture," said Matt Ward, chief executive officer of Westward Pay Strategies Inc., a San Francisco-based company that develops incentive compensation packages for many Silicon Valley companies. "I'm not sure you could even get people to work in this field in a situation where you're not giving them a piece of the action."

Brazil to Slash State Spending

Compiled by Our Staff From Dispatches

BRASILIA — Brazil announced emergency spending cuts Tuesday in its latest attempt to shield Latin America's biggest economy from a worldwide financial crisis that has sent its markets plunging.

Brazil plans to cut spending by about 2.2 percent this year and 4.6 percent in 1999 to cut a rising budget deficit and stop an outflow of dollars from the country, which has topped \$1 billion a day this month.

The proposed cuts total 12.7 billion reais (\$1.8 billion) from projected spending budgets of 181.4 billion reais this year and 187.8 billion reais in 1999.

"This represents an extremely important process in Brazil's ongoing fiscal regime," said Finance Minister Pedro Malan. "The current international context of turbulence and uncertainty of a kind the world has not seen for 10 years requires a firm and determined response from Brazil." The move came amid one of Brazil's worst financial crises in recent years. (Reuters, Bloomberg)

INTERNATIONAL FUTURES

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EUROPE

Oil Specialists Predict the Demise of OPEC

Bloomberg News
LONDON — The Organization of Petroleum Exporting Countries could fall apart if its members do not cut oil output enough to lift prices from their lowest level in almost a decade, Sheikh Ahmed Zaki Yamani, the former Saudi oil minister, said Tuesday.

Sheikh Yamani, who was oil minister from 1962 to 1986, said that the 11-nation group made a "serious error" in November 1997 when it decided to raise oil output 10 percent to win market share.

Oil prices have since fallen as low as \$11.55 a barrel, less than half of last year's peak price of \$24.91.

Now, with oil demand sagging in Asia and OPEC not fully implementing pledged production

cuts, the group is facing a crisis that could kill its members' resolve to work together to coordinate oil policies and keep prices stable.

"I'm not sure OPEC will remain intact," Sheikh Yamani said at a conference hosted by the Center for Global Energy Studies, a London-based energy research organization he founded. "Its members are becoming increasingly divergent."

His remarks were made at the start of a two-day conference on the direction of oil prices.

Estimates show that OPEC members still have implemented only 85 percent of the 2.6 million barrels a day of production cuts agreed at the group's last meeting in June.

Robert Priddle, executive director of the Paris-based International

Energy Agency, told the conference that he doubted OPEC would still exist 20 years from now.

"Member countries have little in common apart from oil ownership," Mr. Priddle said.

He said that their differences were political, social, economic and cultural, adding: "The future of OPEC will be determined by the ability of its members to define new goals consistent with today's global economy."

The Venezuelan oil minister, Erwin Arias, was not so concerned about OPEC's fate. He said that a meeting in Amsterdam in June among oil ministers from Saudi Arabia, Mexico and Venezuela was a "turning point" for the group.

"It was recognized that the

quota system was defunct," Mr. Arias said, explaining that it was then that the group agreed to look at outside estimates of its production instead of OPEC's own production figures, which were viewed as inaccurate.

OPEC's output cuts have not lifted oil prices to the range of \$15 to \$22 a barrel that has prevailed for the past 10 years.

"OPEC's quota system has never worked," Mr. Priddle said.

"Quota cheating is the rule of the game, a kind that brings any cartel to its knees."

OPEC's attempts during the past 12 years to set prices have "failed dramatically because of serious differences between members and their objectives," he said.

AXA Joins Suitors for French Bank

Reuters
PARIS — A third major financial institution on Tuesday declared an interest in acquiring a stake in Credit Lyonnais, as the French state-owned bank moves closer to privatization.

AXA Group, the French insurer, said Tuesday that it wanted to become a shareholder in Credit Lyonnais, which was one of the largest banks in the world before its expansion in the 1980s went awry.

AXA joined Allianz AG, the German insurer, and Compagnie Financière de Paribas of France on the list of publicly declared suitors. All three say they are interested in relatively small holdings rather than a majority stake in the bank, which has spent most of the 1990s propped up by the French government after suffering massive losses.

This could well suit the government's expected strategy of a two-step sell-off, starting with the creation of a core group of shareholders before another chunk is floated, possibly in 1999.

Investor's Europe

| Exchange | Index | Tuesday Close | Prev. Close | % Change |
|------------|----------------|---------------|-------------|----------|
| Amsterdam | AEX | 1,995.68 | 1,978.22 | +1.81 |
| Brussels | BEL-20 | 3,364.23 | 3,313.71 | +1.52 |
| Frankfurt | DAX | 5,163.84 | 4,923.97 | +3.67 |
| Copenhagen | Stock Market | 654.87 | 646.03 | +1.37 |
| Helsinki | HEX General | 4,559.35 | 4,389.80 | +3.87 |
| Oslo | OBX | 541.43 | 523.26 | +3.47 |
| London | FTSE 100 | 5,344.20 | 5,347.00 | -0.05 |
| Madrid | Stock Exchange | 771.08 | 749.76 | +2.84 |
| Milan | MBTEL | 21,945 | 20,640 | +6.32 |
| Paris | CAC 40 | 3,803.74 | 3,685.35 | +3.21 |
| Stockholm | STX 16 | 3,719.86 | 3,620.93 | +2.73 |
| Vienna | ATX | 1,207.81 | 1,167.52 | +3.45 |
| Zurich | SPI | 4,389.45 | 4,300.29 | +2.31 |

Source: Reuters

France Rejects U.S. Bid for Foncier

Compiled by Our Staff From Dispatches
PARIS — The French government, concerned over potential job losses, said Tuesday it had rejected a bid by U.S. investors to buy a stake in Credit Foncier de France SA, a troubled state-owned bank.

General Motors Acceptance Corp. and Robert Bass, an American investor, had made the only bid for the bank, which the government has long sought to privatize to shore up its capital.

GMAC is the finance arm of General Motors Corp.

The Finance Ministry said the employment plan presented by GMAC and Mr. Bass "is insufficiently precise, despite some progress made over the summer."

But the government said it would try again to sell the bank in the coming months, and that the lender would undergo a financial restructuring before the next sale effort.

Paris has been trying for more than a year to dispose of its 91 percent of Credit Foncier, a housing-finance company with \$53 billion in assets. The company, saved by a bailout in 1996 after it posted a loss of \$1.8 billion a year before, is now profitable.

Unions have been wary of a foreign buyer, however, fearing job cuts among its 2,400 workers.

"Credit Foncier is well managed, but the buyer was the only candidate and was in a very strong position," said Jean-Marc Loiseau, a banking analyst at ABN-AMRO Securities.

The bank is currently 90 percent owned by Caisse des Dépôts & Consignations, a state-controlled financial institution.

When a call for bids went out early this year, several other institutions expressed interest but dropped out.

On Tuesday, Credit Foncier

shares fell 2.60 francs, to 75.10 (\$13.04).

The shares have fallen as much as 55 percent since their high for the year of 159.90 francs on April 6 amid pessimism that a buyer will be found.

Unions have opposed any disposal plan by the state that might bring job losses, even holding Credit Foncier's chairman hostage in his office for three weeks in February 1997 to block an attempt to liquidate the bank.

Buying part of Credit Foncier would have added to the international holdings of the Bass family of Texas. Its interests include a 14 percent stake in Human Genome Sciences Inc. and a majority interest in a project designed to test human life support systems for space travel. The family lost out in a 1997 bidding battle for Fisher Scientific International.

Ex-Lloyd's Chief To Head NatWest

Compiled by Our Staff From Dispatches
LONDON — Lord Alexander, chairman of National Westminster Bank PLC, will be replaced in April by Sir David Rowland, former chairman of Lloyd's of London, the bank said Tuesday.

Sir David, who joined the board in April, became a deputy chairman Tuesday. As head of Lloyd's from 1993 to 1997, he led a plan to rescue the insurance market following huge losses.

Richard Evans, chairman of British Aerospace PLC, is also joining NatWest's board.

A merchant banking debacle weakened NatWest in 1997, leading to criticism of Lord Alexander, who has been chairman for 10 years. (A.P. Bloomberg)

WORLD STOCK MARKETS

Tuesday, Sept. 8

Daily prices in local currencies.

High Low Close Prev.

Amsterdam

AEX Index: 1995.68

Previous: 1978.22

ABN-AMRO

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NYSE

Tuesday's 4 P.M. Close

The 2,400 most traded stocks of the day.
Notation: prices not reflecting late trades elsewhere.
The Associated Press.

12 Month High Low Stock Div Yld PE 100 High Low/Latest Chge

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ASIA/PACIFIC

Business Cautiously Approves of Malaysian Controls

By Thomas Fuller
International Herald Tribune

KUALA LUMPUR — When Malaysia became the first country in Asia to clamp down on currency trading last week, the move raised a basic question: Can a small, trade-dependent economy shut itself out from international currency markets and still attract foreign direct investment?

The verdict will not be in for months, but foreign companies with operations in Malaysia are coming to some cautious conclusions about the effects of the measures on their businesses, finding some benefits

and waiting to see the impact on the local economy.

A number of foreign executives said that the controls added paperwork to their jobs but that a stable ringgit made planning easier.

Their findings are important not just for Malaysia but for other small countries around the world that might see Kuala Lumpur's controls as a tempting alternative to the vicissitudes of the free market.

After one year of currency volatility, Malaysia last week pegged its currency at 3.8 to the dollar and banned any trading of it outside its borders. The move angered many investors in Malaysian financial

markets, who by some estimates have as much as \$10 billion in the country.

"We've peeled it apart a million times," said Mark Stevens, vice president and controller for Dell Computer's Asia-Pacific operations, which assembles \$1.1 billion worth of computers in Malaysia every year.

"There's a little bit more paperwork to do," he said. "But it's really meant to attack the speculators," he said of the measures.

Those are words Prime Minister Mahathir bin Mohamad would love to hear.

The prime minister last week shut

down trading of Malaysian shares in neighboring Singapore and told foreign shareholders in the Malaysian stock market that they could not pull their money out of the country for one year—all of this, he said, to foil speculators.

"Some people feel very strongly that these are isolationist moves," said Tom Freitag, group managing director in Malaysia of Ogilvy & Mather, the international advertising agency. "Other people feel that this is a very wise and great decision."

Mr. Freitag said the advertising industry could benefit from the measures if the economy picked up as a

result. "The industry as a whole is down about 20 percent so far this year. Anything that can fuel a feel-good factor is going to help."

Foreign investors have been the motor of Malaysia's economy over the past decade. The country received one of the highest levels of foreign investment in the region during the boom years, mainly because of liberal rules on investment, relatively high education levels and good infrastructure.

In clamping down on currency trading last week, Mr. Mahathir seems to have gambled that he could alienate the foreign stockbroking and currency trading industry while making foreign companies that contribute to the real economy feel at home.

Paradoxically, Mr. Mahathir pointed Tuesday to the stock market's performance in the past week as proof of the success of the currency controls.

"The stock market has been very good, people have regained confidence as more loans are available," he said. "The economy is picking up and they are happy with it."

Before a plunge of 21.5 percent Tuesday, the Kuala Lumpur stock market had risen nearly 70 percent since currency controls were imposed last week, unheard of in recession-hit Southeast Asia.

Other foreign companies that say they could benefit from last week's measures include Coca-Cola Co. "If the new policies help to improve the local economy and help grow local businesses," said Robert Harland, head of corporate communications for the company in Asia, "then they will clearly have a positive impact on us."

But by imposing restrictions on capital flows, Mr. Mahathir may be hurting some of the "legitimate" business that he hopes to foster in the country.

The head of a foreign-run software company in Malaysia said the measures had wiped out his chances of seeking financing abroad, a move he had planned to make later in the year. Foreign financiers will be loath to invest in an environment where they are not sure when and if they can get out, he said.

"Malaysia went overnight from one of the most open, free-wheeling economies in the world," he said, "to being like Eastern Europe in the old days."

On the plus side, the measures have brought exchange rate stability, foreign executives said, at least for the short term.

"It just makes it easier to plan," said Mr. Stevens of Dell.

In Asia, Firms 'Fail' but Stay Open

By Sheryl WuDunn
New York Times Service

SAPPORO, Japan — No business failure in Japan has been more traumatic than that of Hokkaido Tokai Bank, one of the nation's biggest financial institutions. Its collapse last year sent the entire financial system into a tailspin and set off alarm bells that are still ringing in markets around the globe.

But on a recent morning inside the bank's headquarters here, more than 120 customers bustled about, making deposits and withdrawals.

It is not that the bank rose like a phoenix from the ashes. It just never burned up. After announcing that the bank had failed, the government plugged it into a life-support system, and nothing really changed. It will be acquired soon by another institution, but many of its money-losing operations could continue indefinitely under another name.

Something similar is happening throughout Asia: corporations are "failing" in record numbers, but many keep on going anyway. As a result, the feeble are not eliminated, the fat is not trimmed, and the region's long-term prospects suffer.

A common refrain among Westerners is that there should be more out-and-out business failure in Asia. "Capitalism without bankruptcy is like Christianity without hell," is a line heard regularly.

But governments and legal systems routinely protect tycoons from their own incompetence, setting the stage not for a Darwinian struggle but for survival of the fittest.

Not that it is totally sink or swim in the United States; the government did help rescue Chrysler Corp. in 1979.

While under bankruptcy protection, U.S. companies can dismiss workers fairly easily and radically reshape themselves. But in Asia, big companies often hang on until they simply expire in a cloud of debt, rather than liquidate themselves or file for bankruptcy protection to restructure.

In most countries here, the legal framework for bankruptcy is vague and loosely formed, management is given little protection against creditors, and there is rarely any thoroughgoing change. In countries that have known little but expansion for four decades, the idea of layoffs or dragging dirty linen through the courts makes companies highly uncomfortable about bankruptcy.

"It's a real challenge," said Oh Soo Geun, a law professor at Inha University in South Korea. Insolvent conglomerates, particularly in South Korea, he said, "are really too big to kill."

So while large companies in Asia may become insolvent, or cannot keep operating without help, they tend not to file for bankruptcy. Indeed, the executives of such companies may not know how badly off they are, and many simply choose to pretend that little has changed.

Governments, fearful of economic chaos, frequently approve. So failed companies hang on in corporate limbo, neither collapsing nor expanding, and relying on government handouts and good luck.

To be sure, Asia has seen bankruptcies for years, with the number soaring in the last year. But formal bankruptcies have mostly been at small and medium-sized companies, while corporate giants generally manage to hang on.

Governments are understandably loath to shut down insolvent or cash-squeezed banks, for fear of provoking chaos in the financial system.

ADB Will Lend to Hanoi, but With a Catch

Agence France-Presse

HANOI — The Asian Development Bank said Tuesday that it would lend \$900 million to Vietnam over the next three years, but it warned that the funds might be halted if Hanoi did not push ahead with economic changes.

"We expect annual lending to continue at \$300 million but performance is absolutely key, especially on reforms," said Rajat Nag, programs manager at the Manila-based institution.

Mr. Nag said that official development assistance had become critical to Vietnam because of a dramatic

drop in direct foreign investment. He said that the aid would not be enough to make up for lost foreign investment and that economic liberalization must foster growth in domestic savings and capital mobilization.

"Reforms of state-owned enterprises are critical," he said. The drop in foreign investment, about 20 percent below comparable levels last year, has already lowered economic growth in Vietnam; the regional economic crisis makes any imminent increase unlikely.

Mr. Nag forecast Vietnamese economic growth of 4 percent to 5 percent for 1998, nearly half of the 1997 rate and much lower than Hanoi's target of 6 percent to 7 percent.

One condition of continued aid is the government publish its budget for 1999 by the end of this year. Until now, Hanoi has treated its budget as a state secret.

Lack of transparency, a bloated bureaucracy and an inefficient state sector top the list of Vietnam's deficiencies, the bank said.

The most urgent task is to eliminate credit subsidies to state companies and to ensure that the private sector gets equal access to loans, Mr. Nag said.

S&P Cuts Rating On Swire Pacific

Agence France-Presse

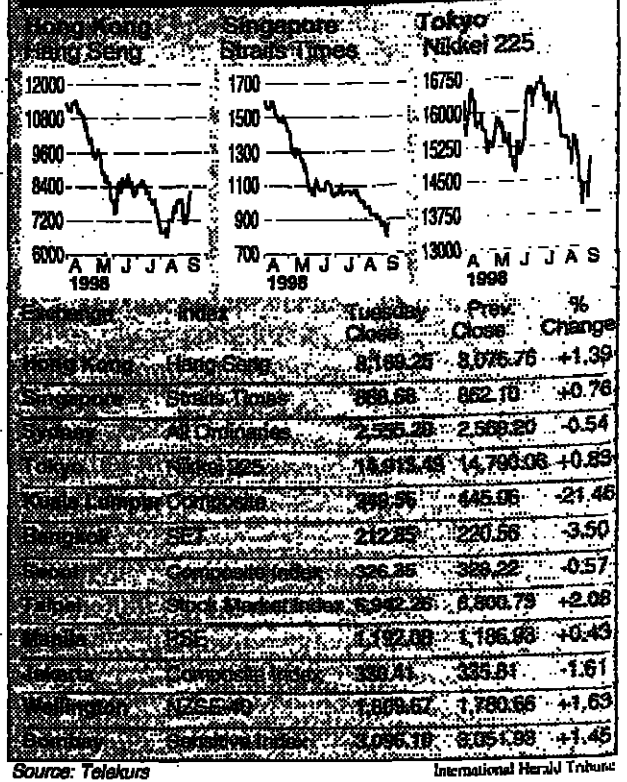
HONG KONG — Standard & Poor's Inc. on Tuesday downgraded the long-term credit rating of the Hong Kong conglomerate Swire Pacific Ltd., in part because of slumping property prices.

The company's long-term corporate credit rating was cut to A-minus from A, and the outlook for the future continues to be negative, the ratings agency said.

"The downgrade reflects increasing pressure on the company's earnings stemming from the challenging business environment for property and aviation," S&P said.

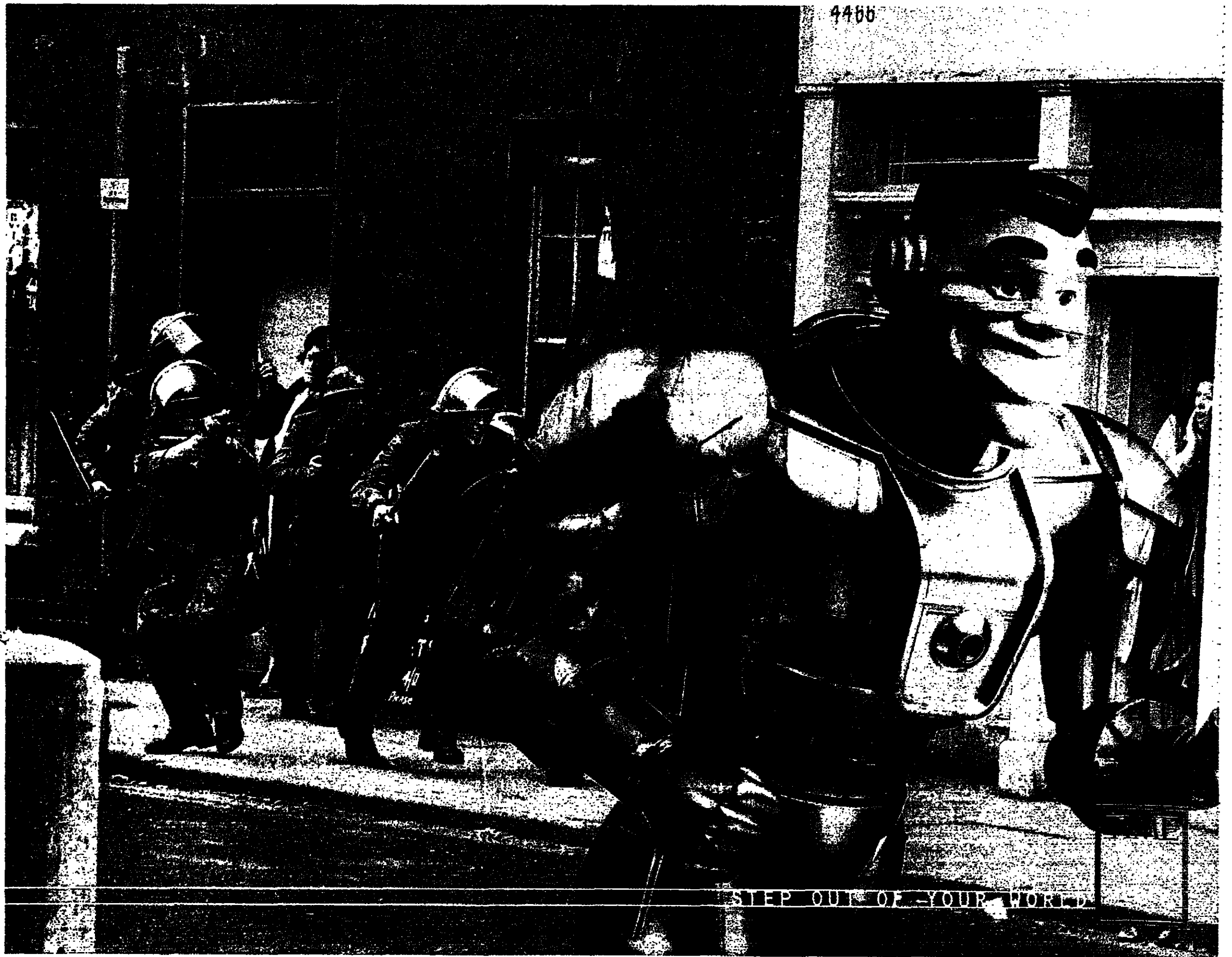
The agency also said the outlook for earnings at Cathay Pacific Airways Ltd., of which Swire owns 44 percent, was poor.

Investor's Asia



Very briefly:

- **Petroleum Nasional Bhd.** of Malaysia entered agreements with institutional shareholders that will give it control of South Africa's largest fuel retailer, Engen Ltd. Petroleum Nasional, the state-owned oil company known as Petronas, agreed to buy 18.2 percent of Engen for 750 million rand (\$120.8 million), which combined with the 29.9 percent stake it acquired last year and shares it has bought in the market in recent days, will give it a 50.25 percent stake in Engen.
- **Hana Bank** and **Boram Bank**, two midsize South Korean banks, announced a voluntary merger as a restructuring of the debt-crippled sector gathered pace. The two banks, seen as relatively healthy, hold fewer bad loans than other major banks.
- **Sumitomo Corp.**, a Japanese trading house, said it would set up a company early next year to build distribution facilities in Uzbekistan. Sumitomo will set up the venture with the Japan International Development Organization.
- **Samsung Co.**, a South Korean conglomerate, has invested \$838 million in the first phase of a joint venture to make color picture tubes for television sets and computer monitors in China, reports said. Tianjin-Samsung Display Device Co. has a designed capacity of 1.8 million units a year, the Xinhua news agency said.
- **Trade between Russia and South Korea** dropped steeply since the start of the year, the Interfax news agency reported. Russia's decision to stop paying foreign debts and aftershocks from the Asian crisis, were primarily to blame, said a Korean official.
- **New Zealand's** government issued a bleak short-term forecast for the economy but said the economy, now in recession, would return to growth within a year. Finance Minister Bill Birch said the economy would shrink by half a percentage point in the current fiscal year ending on June 30.
- **Travelers Group Inc.** said it hoped to expand its presence in Japan just three months after buying a quarter of the third-largest Japanese brokerage, Nikko Securities Co. Bloomberg, AFP, AP.



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NASDAQ

Tuesday's 4 P.M.
The 1,000 most traded National Market securities
in terms of dollar volume, updated twice a year.
The Associated Press.

| Stock | High | Low | Open | Close | Volume | PE | Div | Yield | 52-Week High | 52-Week Low | Change |
|-------------|---|--|---|---|-----------|------|------|-------|---|-------------------------|--------|
| IBM | 125.25 | 124.75 | 125.00 | 125.00 | 1,200,000 | 15.0 | 0.50 | 3.9% | 130.00 | 115.00 | +0.25 |
| Microsoft | 65.00 | 64.50 | 64.75 | 64.75 | 1,100,000 | 25.0 | 0.00 | 0.0% | 70.00 | 50.00 | -0.25 |
| Amazon.com | 35.00 | 34.50 | 34.75 | 34.75 | 500,000 | 10.0 | 0.00 | 0.0% | 40.00 | 20.00 | -0.25 |
| Google | 25.00 | 24.50 | 24.75 | 24.75 | 400,000 | 15.0 | 0.00 | 0.0% | 30.00 | 15.00 | -0.25 |
| Yahoo! | 15.00 | 14.50 | 14.75 | 14.75 | 300,000 | 10.0 | 0.00 | 0.0% | 20.00 | 10.00 | -0.25 |
| Oracle | 45.00 | 44.50 | 44.75 | 44.75 | 200,000 | 20.0 | 0.00 | 0.0% | 50.00 | 30.00 | -0.25 |
| SAP AG | 100.00 | 99.50 | 99.75 | 99.75 | 100,000 | 15.0 | 0.00 | 0.0% | 110.00 | 80.00 | -0.25 |
| NetScitec | 20.00 | 19.50 | 19.75 | 19.75 | 50,000 | 10.0 | 0.00 | 0.0% | 25.00 | 15.00 | -0.25 |
| VeriSign | 15.00 | 14.50 | 14.75 | 14.75 | 40,000 | 15.0 | 0.00 | 0.0% | 20.00 | 10.00 | -0.25 |
| WorldCom | 30.00 | 29.50 | 29.75 | 29.75 | 30,000 | 10.0 | 0.00 | 0.0% | 35.00 | 25.00 | -0.25 |
| Qwest | 25.00 | 24.50 | 24.75 | 24.75 | 20,000 | 15.0 | 0.00 | 0.0% | 30.00 | 20.00 | -0.25 |
| Sprint | 20.00 | 19.50 | 19.75 | 19.75 | 15,000 | 10.0 | 0.00 | 0.0% | 25.00 | 15.00 | -0.25 |
| Verizon | 15.00 | 14.50 | 14.75 | 14.75 | 10,000 | 15.0 | 0.00 | 0.0% | 20.00 | 10.00 | -0.25 |
| AT&T | 10.00 | 9.50 | 9.75 | 9.75 | 5,000 | 10.0 | 0.00 | 0.0% | 15.00 | 5.00 | -0.25 |
| Time Warner | 5.00 | 4.50 | 4.75 | 4.75 | 2,000 | 15.0 | 0.00 | 0.0% | 10.00 | 2.00 | -0.25 |
| Comcast | 4.00 | 3.50 | 3.75 | 3.75 | 1,000 | 10.0 | 0.00 | 0.0% | 8.00 | 1.00 | -0.25 |
| Netflix | 3.00 | 2.50 | 2.75 | 2.75 | 500 | 15.0 | 0.00 | 0.0% | 6.00 | 0.50 | -0.25 |
| Blockbuster | 2.00 | 1.50 | 1.75 | 1.75 | 200 | 10.0 | 0.00 | 0.0% | 4.00 | 0.20 | -0.25 |
| Home Depot | 50.00 | 49.50 | 49.75 | 49.75 | 1,000,000 | 15.0 | 0.50 | 3.9% | 55.00 | 40.00 | -0.25 |
| Home Depot | 45.00 | 44.50 | 44.75 | 44.75 | 800,000 | 15.0 | 0.50 | 3.9% | 50.00 | 35.00 | -0.25 |
| Home Depot | 40.00 | 39.50 | 39.75 | 39.75 | 600,000 | 15.0 | 0.50 | 3.9% | 45.00 | 30.00 | -0.25 |
| Home Depot | 35.00 | 34.50 | 34.75 | 34.75 | 400,000 | 15.0 | 0.50 | 3.9% | 40.00 | 25.00 | -0.25 |
| Home Depot | 30.00 | 29.50 | 29.75 | 29.75 | 200,000 | 15.0 | 0.50 | 3.9% | 35.00 | 20.00 | -0.25 |
| Home Depot | 25.00 | 24.50 | 24.75 | 24.75 | 100,000 | 15.0 | 0.50 | 3.9% | 30.00 | 15.00 | -0.25 |
| Home Depot | 20.00 | 19.50 | 19.75 | 19.75 | 50,000 | 15.0 | 0.50 | 3.9% | 25.00 | 10.00 | -0.25 |
| Home Depot | 15.00 | 14.50 | 14.75 | 14.75 | 20,000 | 15.0 | 0.50 | 3.9% | 20.00 | 5.00 | -0.25 |
| Home Depot | 10.00 | 9.50 | 9.75 | 9.75 | 10,000 | 15.0 | 0.50 | 3.9% | 15.00 | 2.00 | -0.25 |
| Home Depot | 5.00 | 4.50 | 4.75 | 4.75 | 5,000 | 15.0 | 0.50 | 3.9% | 10.00 | 1.00 | -0.25 |
| Home Depot | 2.00 | 1.50 | 1.75 | 1.75 | 2,000 | 15.0 | 0.50 | 3.9% | 5.00 | 0.20 | -0.25 |
| Home Depot | 1.00 | 0.50 | 0.75 | 0.75 | 1,000 | 15.0 | 0.50 | 3.9% | 2.00 | 0.10 | -0.25 |
| Home Depot | 0.50 | 0.25 | 0.375 | 0.375 | 500 | 15.0 | 0.50 | 3.9% | 1.00 | 0.05 | -0.25 |
| Home Depot | 0.25 | 0.125 | 0.1875 | 0.1875 | 200 | 15.0 | 0.50 | 3.9% | 0.50 | 0.02 | -0.25 |
| Home Depot | 0.125 | 0.0625 | 0.09375 | 0.09375 | 100 | 15.0 | 0.50 | 3.9% | 0.25 | 0.01 | -0.25 |
| Home Depot | 0.0625 | 0.03125 | 0.046875 | 0.046875 | 50 | 15.0 | 0.50 | 3.9% | 0.125 | 0.005 | -0.25 |
| Home Depot | 0.03125 | 0.015625 | 0.0234375 | 0.0234375 | 20 | 15.0 | 0.50 | 3.9% | 0.0625 | 0.001 | -0.25 |
| Home Depot | 0.015625 | 0.0078125 | 0.01171875 | 0.01171875 | 10 | 15.0 | 0.50 | 3.9% | 0.03125 | 0.0005 | -0.25 |
| Home Depot | 0.0078125 | 0.00390625 | 0.005859375 | 0.005859375 | 5 | 15.0 | 0.50 | 3.9% | 0.015625 | 0.0001 | -0.25 |
| Home Depot | 0.00390625 | 0.001953125 | 0.0029296875 | 0.0029296875 | 2 | 15.0 | 0.50 | 3.9% | 0.0078125 | 0.00005 | -0.25 |
| Home Depot | 0.001953125 | 0.0009765625 | 0.00146484375 | 0.00146484375 | 1 | 15.0 | 0.50 | 3.9% | 0.00390625 | 0.00001 | -0.25 |
| Home Depot | 0.0009765625 | 0.00048828125 | 0.000732421875 | 0.000732421875 | 0 | 15.0 | 0.50 | 3.9% | 0.001953125 | 0.000005 | -0.25 |
| Home Depot | 0.00048828125 | 0.000244140625 | 0.0003662109375 | 0.0003662109375 | 0 | 15.0 | 0.50 | 3.9% | 0.0009765625 | 0.000001 | -0.25 |
| Home Depot | 0.000244140625 | 0.0001220703125 | 0.00018310546875 | 0.00018310546875 | 0 | 15.0 | 0.50 | 3.9% | 0.00048828125 | 0.0000005 | -0.25 |
| Home Depot | 0.0001220703125 | 0.00006103515625 | 0.000091552734375 | 0.000091552734375 | 0 | 15.0 | 0.50 | 3.9% | 0.000244140625 | 0.0000001 | -0.25 |
| Home Depot | 0.00006103515625 | 0.000030517578125 | 0.0000457763671875 | 0.0000457763671875 | 0 | 15.0 | 0.50 | 3.9% | 0.0001220703125 | 0.00000005 | -0.25 |
| Home Depot | 0.000030517578125 | 0.0000152587890625 | 0.00002288818359375 | 0.00002288818359375 | 0 | 15.0 | 0.50 | 3.9% | 0.00006103515625 | 0.00000001 | -0.25 |
| Home Depot | 0.0000152587890625 | 0.00000762939453125 | 0.000011444091796875 | 0.000011444091796875 | 0 | 15.0 | 0.50 | 3.9% | 0.000030517578125 | 0.000000005 | -0.25 |
| Home Depot | 0.00000762939453125 | 0.000003814697265625 | 0.0000057220458984375 | 0.0000057220458984375 | 0 | 15.0 | 0.50 | 3.9% | 0.0000152587890625 | 0.000000001 | -0.25 |
| Home Depot | 0.000003814697265625 | 0.0000019073486328125 | 0.00000286102294921875 | 0.00000286102294921875 | 0 | 15.0 | 0.50 | 3.9% | 0.00000762939453125 | 0.0000000005 | -0.25 |
| Home Depot | 0.0000019073486328125 | 0.00000095367431640625 | 0.000001430511474609375 | 0.000001430511474609375 | 0 | 15.0 | 0.50 | 3.9% | 0.000003814697265625 | 0.0000000001 | -0.25 |
| Home Depot | 0.00000095367431640625 | 0.000000476837158203125 | 0.0000007152557373046875 | 0.0000007152557373046875 | 0 | 15.0 | 0.50 | 3.9% | 0.0000019073486328125 | 0.00000000005 | -0.25 |
| Home Depot | 0.000000476837158203125 | 0.0000002384185791015625 | 0.00000035762786865234375 | 0.00000035762786865234375 | 0 | 15.0 | 0.50 | 3.9% | 0.00000095367431640625 | 0.00000000001 | -0.25 |
| Home Depot | 0.0000002384185791015625 | 0.00000011920928955078125 | 0.000000178813934326171875 | 0.000000178813934326171875 | 0 | 15.0 | 0.50 | 3.9% | 0.000000476837158203125 | 0.000000000005 | -0.25 |
| Home Depot | 0.00000011920928955078125 | 0.000000059604644775390625 | 0.0000000894069671630859375 | 0.0000000894069671630859375 | 0 | 15.0 | 0.50 | 3.9% | 0.0000002384185791015625 | 0.000000000001 | -0.25 |
| Home Depot | 0.000000059604644775390625 | 0.0000000298023223876953125 | 0.00000004470348358154296875 | 0.00000004470348358154296875 | 0 | 15.0 | 0.50 | 3.9% | 0.00000011920928955078125 | 0.0000000000005 | -0.25 |
| Home Depot | 0.0000000298023223876953125 | 0.00000001490116119384765625 | 0.000000022351741790771458333 | 0.000000022351741790771458333 | 0 | 15.0 | 0.50 | 3.9% | 0.000000059604644775390625 | 0.0000000000001 | -0.25 |
| Home Depot | 0.00000001490116119384765625 | 0.000000007450580596923828125 | 0.000000011175870895385729166 | 0.000000011175870895385729166 | 0 | 15.0 | 0.50 | 3.9% | 0.0000000298023223876953125 | 0.00000000000005 | -0.25 |
| Home Depot | 0.000000007450580596923828125 | 0.0000000037252902984619140625 | 0.000000005587935447692864583 | 0.000000005587935447692864583 | 0 | 15.0 | 0.50 | 3.9% | 0.00000001490116119384765625 | 0.00000000000001 | -0.25 |
| Home Depot | 0.0000000037252902984619140625 | 0.00000000186264514923095703125 | 0.00000000279396772384643229166 | 0.00000000279396772384643229166 | 0 | 15.0 | 0.50 | 3.9% | 0.000000007450580596923828125 | 0.000000000000005 | -0.25 |
| Home Depot | 0.00000000186264514923095703125 | 0.000000000931322574615478515625 | 0.00000000139698386192321614583 | 0.00000000139698386192321614583 | 0 | 15.0 | 0.50 | 3.9% | 0.0000000037252902984619140625 | 0.000000000000001 | -0.25 |
| Home Depot | 0.000000000931322574615478515625 | 0.0000000004656612873077392578125 | 0.0000000006984919309616080729166 | 0.0000000006984919309616080729166 | 0 | 15.0 | 0.50 | 3.9% | 0.00000000186264514923095703125 | 0.0000000000000005 | -0.25 |
| Home Depot | 0.0000000004656612873077392578125 | 0.00000000023283064365386962890625 | 0.0000000003492459654808040364583 | 0.0000000003492459654808040364583 | 0 | 15.0 | 0.50 | 3.9% | 0.000000000931322574615478515625 | 0.0000000000000001 | -0.25 |
| Home Depot | 0.00000000023283064365386962890625 | 0.000000000116415321826934814453125 | 0.000000000174622982740402018229166 | 0.000000000174622982740402018229166 | 0 | 15.0 | 0.50 | 3.9% | 0.0000000004656612873077392578125 | 0.00000000000000005 | -0.25 |
| Home Depot | 0.000000000116415321826934814453125 | 0.0000000000582076609134674072265625 | 0.000000000087311491370201009114583 | 0.000000000087311491370201009114583 | 0 | 15.0 | 0.50 | 3.9% | 0.00000000023283064365386962890625 | 0.00000000000000001 | -0.25 |
| Home Depot | 0.0000000000582076609134674072265625 | 0.00000000002910383045673370361328125 | 0.00000000004365574568510050455729166 | 0.00000000004365574568510050455729166 | 0 | 15.0 | 0.50 | 3.9% | 0.000000000116415321826934814453125 | 0.000000000000000005 | -0.25 |
| Home Depot | 0.00000000002910383045673370361328125 | 0.000000000014551915228366851806640625 | 0.00000000002182787284255025227864583 | 0.00000000002182787284255025227864583 | 0 | 15.0 | 0.50 | 3.9% | 0.0000000000582076609134674072265625 | 0.000000000000000001 | -0.25 |
| Home Depot | 0.000000000014551915228366851806640625 | 0.0000000000072759576141834259033203125 | 0.0000000000109139364212751261393229166 | 0.0000000000109139364212751261393229166 | 0 | 15.0 | 0.50 | 3.9% | 0.00000000002910383045673370361328125 | 0.0000000000000000005 | -0.25 |
| Home Depot | 0.0000000000072759576141834259033203125 | 0.00000000000363797880709171295166015625 | 0.0000000000054569682106375630696614583 | 0.0000000000054569682106375630696614583 | 0 | 15.0 | 0.50 | 3.9% | 0.000000000014551915228366851806640625 | 0.0000000000000000001 | -0.25 |
| Home Depot | 0.00000000000363797880709171295166015625 | 0.000000000001818989403545856475830078125 | 0.000000000002728484105318781534830729166 | 0.000000000002728484105318781534830729166 | 0 | 15.0 | 0.50 | 3.9% | 0.0000000000072759576141834259033203125 | 0.00000000000000000005 | -0.25 |
| Home Depot | 0.000000000001818989403545856475830078125 | 0.0000000000009094947017729282379150390625 | 0.000000000001364242052659390767415364583 | 0.000000000001364242052659390767415364583 | 0 | 15.0 | 0.50 | 3.9% | 0.00000000000363797880709171295166015625 | 0.00000000000000000001 | -0.25 |
| Home Depot | 0.0000000000009094947017729282379150390625 | 0.00000000000045474735088646411895751953125 | 0.00000000000068212102632969538370768229166 | 0.00000000000068212102632969538370768229166 | 0 | 15.0 | 0.50 | 3.9% | 0.000000000001818989403545856475830078125 | 0.000000000000000000005 | -0.25 |
| Home Depot | 0.00000000000045474735088646411895751953125 | 0.000000000000227373675443232059478759765625 | 0.00000000000034106051316484769185384114583 | 0.00000000000034106051316484769185384114583 | 0</ | | | | | | |

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World Roundup

French Take Action

CYCLING Amid reports that cyclists from the disgraced Festina team admitted to using the doping substance EPO, the French government created its own team on Tuesday to tackle what is increasingly seen as a widespread problem — drugs in sports.

France Soir, the evening paper in Paris, said Monday that it had obtained details of confessions by several members of the Festina team that was thrown out of the Tour de France in July for EPO use.

"I acknowledge the use of EPO for about the last four years," the Swiss cyclist Alex Zülle told the police, according to the newspaper. "The first time, I was racing for the Spanish team ONCE. I was using the product while preparing for the Tour de France, Giro and the Tour of Spain, taking two injections of EPO a week for three or four weeks before and during the race."

In response to mounting concern over the use of illegal drugs in sports, the French government said it would set up a working group to help clamp down on illegal substances. The announcement by Health Minister Bernard Kouchner and Sports Minister Marie-George Buffet came in the aftermath of the Tour de France, which was dominated by the doping scandal.

The group is to make a preliminary report in mid-October, a month before the National Assembly's second reading of a new anti-doping law, and present its final recommendations by April 1999. (AP)

Manchester United Silent

SOCCER In Manchester United fans told a wall of silence on Tuesday as they tried to confirm reports that their club's board would consider a takeover bid from Rupert Murdoch's BSkyB satellite television company. Manchester United said it could not confirm a report in The Times that the United board would meet before Wednesday's match against Charlton. (Reuters)

Balm for America's Ills

McGwire and Sosa: Home-Run Diversion

By George Vecsey
New York Times Service

ST. LOUIS — The home-run record has been going down for weeks. The only things missing were the details. Like: Mark McGwire tied Roger Maris with his 61st Monday, while Sammy Sosa stayed at 58.

What was not immediately evident was the way Mark McGwire and Sammy Sosa welcomed everybody on board with big hugs and open smiles, the body language of two good human beings who have found each other.

The signals are that this is for everybody, for Mr. and Mrs. America, for the people in the Caribbean, for the family

Vantage Point

of Roger Maris, for the memory of Babe Ruth, for the people who buy tickets and sweat in the stands, for anybody who admires grace under pressure.

In Busch Stadium on Monday, fans in red shirts cheered a player in a blue-and-white uniform. It's almost as stupendous a development as in the song about Chicago, "I saw a man who danced with his wife."

In an era of baseball stars who have a policy of not speaking, and road-rage football and in-your-face hockey and crotch-grabbing for a basketball dunk worth 1/50th of his team's output for the night, baseball has come up with two guys who give each other high fives during a Frick-and-Fracks press conference and hug each other at first base during the game.

"I told him, 'Congratulations,'" said Sammy Sosa, from the Dominican Republic, who is charming the baseball empire in his second language, English. "But I told him, 'Now you've got to wait for me.'"

Even a few days ago, it seemed like a good smart-aleck crack for crusty, cigar-chomping Jack McKeon, manager of the Reds, who said he had been getting all these phone messages about not talking McGwire, and how he wanted to "heal America."

McGwire, when apprised of McKeon's quip, said, "If only it was that easy." And he's right about that. These

multimillionaires are not exactly solving the skewed ratio of wealth and opportunity in America. In the last couple of weeks, however, it has been impossible to miss that McGwire, a very large, white dentist's son from California, has been simpatico with Sosa, a wiry dark-skinned man from the Dominican Republic, and vice versa.

Q: You both come from such different backgrounds as children. Did you ever envision yourself sitting in this setting?

Sosa: Not really, but I have to say, "Baseball been very good to me." (Laughter, as Sosa knowingly invoked the echoes of Chico Escuela on the ancient "Saturday Night Live" shows.) McGwire: God Bless America.

Sosa: What a country!

Q: Sammy said you would hit 70 by the end of the year. How many do you think he will hit?

McGwire: Wouldn't it be great if we just ended up tied? I think it would be beautiful.

Q: What number?

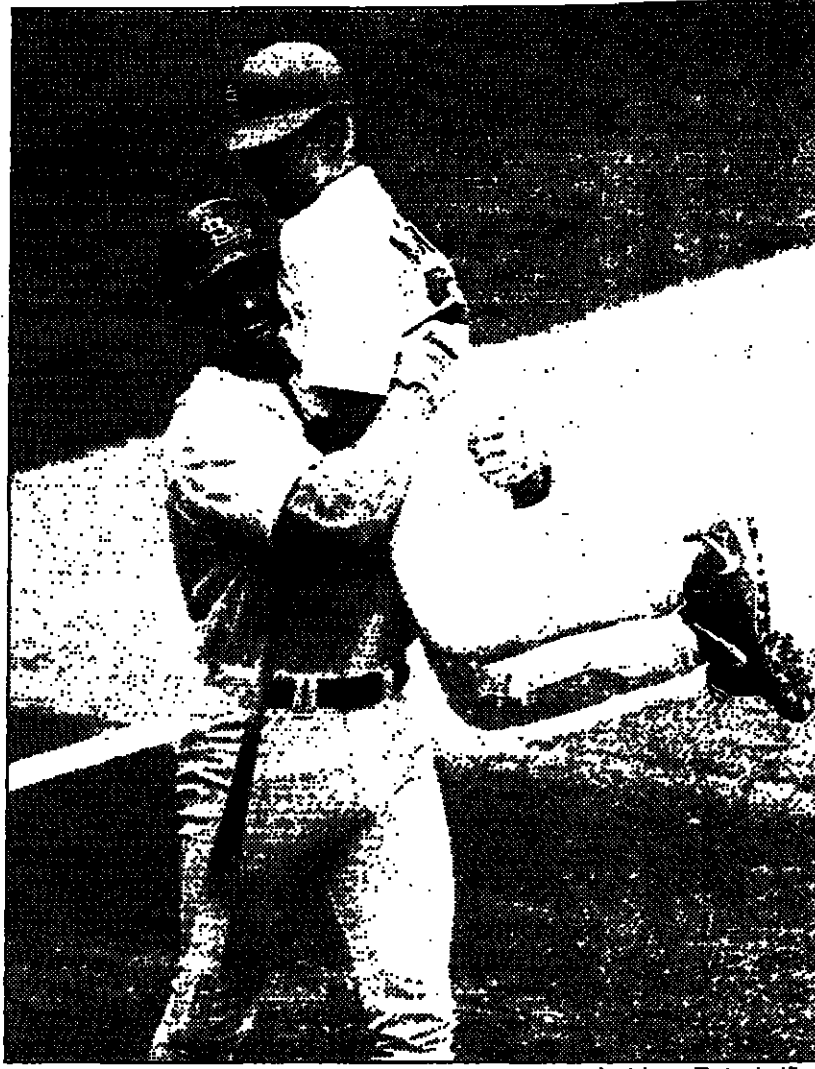
McGwire: Seventy is a good one. (Laughter.)

Sosa: I will take it.

This was the repartee Monday when the two amigos held a joint press conference. What the official transcript cannot possibly indicate is the comfort level between the men, the way they look each other in the eye and laugh.

These guys have also praised the memory and the skills of Roger Maris, who hit 61 homers in 1961 and never enjoyed it. On Sunday, Maris's son Randy Maris said: "I think if he would have had a stage like this to handle all the questions, instead of having him sit at his locker and answer questions, two hours before games and after games, just questions over and over, it would have been a lot easier for him. That was probably the toughest part."

The era of Roger Maris seems 37 decades away rather than 37 years. Maris and his friend, Mickey Mantle — they shared an apartment — were unsophisticated country boys who had grown up thinking that real men didn't share their feelings in public. Mantle ranged from hilarious to vicious, depending on his mood; Maris was far more consistent, in a testy but honest way.



Mark McGwire hoisting his son, Matthew, 10, after hitting No. 61.

Sosa seems genuinely open, at ease with himself; McGwire says he became that way through therapy after a wrecked marriage. They both grew up watching Felipe Alou and his baseball family, Steve Garvey, Kirby Puckett and Tony Gwynn set standards for eloquence and kindness in public. Sad to say, a lot of ball players today are Class A. Unfortunately, they do not have 61 and 58 homers.

The era of good feeling has even extended to the fans. The Cardinals fans stood and applauded Sosa (and Gary Gaetti, a Cardinal until recently). McGwire still talks with awe about the standing ovation in Pittsburgh, and the

fact that even the fabulously abusive New York echo left him alone.

Monday, another fan came up with a McGwire home-run ball and immediately turned it over to McGwire for modest considerations — some booty, some season tickets. The word from the legal lawyers is that any poor soul who idealistically hands over a landmark baseball to McGwire is liable for many thousands of dollars of gift taxes, immediately. Up to edition time, Mike Davidson, age 28, from St. Louis, had not yet been manacled and dragged off to jail by the Internal Revenue Service.

Maybe McGwire and Sosa really are healing America.

Griffey Joins The 50 Club

The Associated Press

Until now, three players never hit 50 homers in the same year, Ken Griffey Jr. put an end to that Monday night.

A few hours after Mark McGwire tied Roger Maris with No. 61, Griffey homered twice — the second a grand slam — joining McGwire and Sammy Sosa in the 50 club. Griffey, who hit 49 homers in 1996 and 56 last year, drove

Baseball Roundup

in six runs and joined McGwire and Babe Ruth as the only players to reach 50 in consecutive seasons.

Blue Jays 15, Mariners 1 At SkyDome, Jose Canseco homered for the fourth consecutive game as Toronto won its 11th straight, tying a club record.

Red Sox 4, Yankees 3 John Valentin hit a go-ahead homer in the eighth and sent David Wells (17-3) to his first loss since June 15 as Boston rallied from a 3-0 seventh-inning deficit at Fenway Park. **Twins 6, White Sox 0** Rick Helling (18-7) pitched a three-hitter and Juan Gonzalez highlighted a six-run seventh with his 41st homer as second-place Texas closed within three games of idle Anaheim in the AL West.

White Sox 7, Tigers 5 Albert Belle hit his 45th home run and his 27th since the All-Star break for host Chicago.

Astros 1, Reds 0 Randy Johnson pitched a six-hitter for his fourth straight home shutout for the Astros.

Giants 5, Padres 4 Ellis Burks hit a two-run double in the eighth, and Jose Mesa escaped a bases-loaded jam as San Francisco pulled within two games of New York and Chicago in the wild-card race.

Mets 6, Braves 7 Edgardo Alfonzo hit a two-run homer with two outs in the eighth as New York beat Atlanta to tie Chicago for the wild-card lead.

Rockies 15, Marlins 10 In Denver, Larry Walker raised his NL-leading batting average to .354, going 3-for-4 with two homers in Colorado's victory.

Mariners 4, Dodgers 2 Andy Benes threw eight strong innings and Gregg Olson pitched the ninth for his 200th career save for host Arizona.

Braves 6, Pirates 3 Marc Newfield's two-run pinch-homer broke a seventh-inning tie as visiting Milwaukee sent Pittsburgh to its ninth loss in 10 games.



Sosa congratulating McGwire.

little chuckle," said McGwire, whose 62d homer will have a hard time producing a richer moment. "He didn't have to say anything. His eyes said it all."

McGwire: Two Families Watch Baseball History Being Made, as Slugger Hits 61st Home Run to Tie Maris

Continued from Page 1

right now." To make the moment richer, McGwire was competing head-to-head with his chief rival for sports immortality — the Chicago Cubs' Sammy Sosa, who has 58 home runs.

Both were back at it on Tuesday night as the Cardinals again played host to the Cubs.

Both before and after Monday's game, McGwire and Sosa talked warmly about their mutual admiration and their pleasure at battling each other, in a sportsmanlike way, over the next three weeks for the ultimate home run record. "Wouldn't it be great if we just ended up tied?" said McGwire. "I think it would be beautiful."

For one day, however, it was Sosa who gave McGwire a bear hug at first base after an eighth-inning single; Mc-

Gwire responded with a playful punch. The Cardinals ended up beating the Cubs, 3-2, with McGwire's homer playing a crucial role while Sosa ended the game by striking out with a man on third.

In recent days, almost everything about this home run chase — which has become a national celebration, as well as a bit of a late-summer fixation — has been almost too idealized. Maris's four sons were here and — thanks largely to McGwire's gracious references to their father — they have come to feel that they, and the late New York Yankee's memory — have gained something here, rather than lost a record.

"When he hit it, I felt like I'd been electrocuted," said Roger Maris Jr., 39. "I had goose bumps the size of baseballs in my body. Tears came to my eyes watching him go around the bases.

"I think he signaled to us when he pointed up to the sky as if to say, 'I know your dad is watching.'"

That, in fact, is exactly what McGwire said he did, and meant.

In the aftermath of the game, McGwire's landmark home run seemed to exist on two levels.

To the casual sports fan, or even nonfan, it provided a day of celebration for the likable, generous McGwire as well as an opportunity to witness another chapter in baseball's arduous comeback since its popularity-crushing strike in 1994, which erased the World Series. Starting with Cal Ripken's shattering of the supposedly unapproachable consecutive-game record of Lou Gehrig in 1995, baseball has gradually regained its place as a great sport in good public standing.

For baseball fans, however, Mc-

Gwire's blast had different, and multiple, levels of pleasure. The last three weeks of this season offer McGwire — or perhaps Sosa — a chance to set a record that could last as long, or longer, than Maris's 37-year-old mark. McGwire even mentioned the number 70 as "a nice round one," perhaps tipping his hand as to his goal.

The true meaning for this generation of fans, however, may be that McGwire had now — statistically, at least — passed Babe Ruth in many of the most basic measurements of slugging. Ruth hit 60 homers in 1927 in a 154-game season.

McGwire has 61 in 143 games. McGwire has not just out-homered Ruth in the Bambino's best year, but done it handily.

"Nobody can say you have to put an asterisk on it, can they?" said McGwire

when asked about his reaching 61 in far fewer than 154 games.

McGwire also holds the record for most homers in two seasons (119) and three seasons (171), easily surpassing Ruth. In fact, if McGwire reaches 70 homers this season, he would have averaged 60 for the past three seasons. For his entire career, the 34-year-old McGwire has fewer at-bats per home run than Ruth.

And, in the past four seasons, as McGwire has homered once in every 8.2 at-bats, he has basically made himself — rather than Ruth, Maris, Hank Aaron or anybody else — the yardstick for power hitters in the next baseball century.

Just as Ripken's 2,131st game will always be remembered for his victory lap, McGwire's 61st home run may be recalled for the sight of him carrying his son in his arms. "Matthew just gave a

SCOREBOARD

BASEBALL

MAJOR LEAGUE STANDINGS

| AMERICAN LEAGUE | EAST DIVISION | W | L | Pct. | GB |
|-----------------|---------------|----|-----|------|----|
| New York | 100 | 1 | 707 | | |
| Boston | 82 | 60 | 577 | 18½ | |
| Toronto | 78 | 64 | 542 | 22½ | |
| Baltimore | 71 | 89 | 387 | 39 | |
| Tampa Bay | 55 | 87 | 387 | 45½ | |

| CENTRAL DIVISION | W | L | Pct. | GB |
|------------------|----|----|------|-----|
| Cleveland | 67 | 76 | 469 | 12 |
| Chicago | 65 | 77 | 458 | 13½ |
| Kansas City | 64 | 78 | 448 | 15 |
| Minnesota | 54 | 90 | 375 | 25½ |

| WEST DIVISION | W | L | Pct. | GB |
|---------------|----|----|------|-----|
| Anaheim | 76 | 67 | 527 | |
| Seattle | 65 | 77 | 462 | 13 |
| Oakland | 64 | 77 | 458 | 13½ |

| NATIONAL LEAGUE | EAST DIVISION | W | L | Pct. | GB |
|-----------------|---------------|----|-----|------|----|
| Atlanta | 97 | 64 | 609 | | |
| New York | 90 | 64 | 556 | 12 | |
| Philadelphia | 87 | 76 | 489 | 24½ | |
| Montreal | 78 | 89 | 387 | 39 | |
| Florida | 48 | 96 | 333 | 44 | |

| CENTRAL DIVISION | W | L | Pct. | GB |
|------------------|----|----|------|-----|
| Houston | 80 | 64 | 556 | 11 |
| Chicago | 70 | 73 | 490 | 20½ |
| St. Louis | 69 | 75 | 479 | 22 |
| San Francisco | 66 | 78 | 458 | 25 |
| Pittsburgh | 65 | 77 | 458 | 25 |

BASEBALL

| AMERICAN LEAGUE | WEST DIVISION | W | L | Pct. | GB |
|-----------------|---------------|----|-----|------|----|
| Los Angeles | 91 | 53 | 632 | | |
| San Francisco | 78 | 66 | 542 | 13 | |
| Los Angeles | 72 | 72 | 500 | 19 | |
| Colorado | 67 | 78 | 462 | 24½ | |
| Arizona | 58 | 87 | 400 | 33½ | |

| NATIONAL LEAGUE | WEST DIVISION | W | L | Pct. | GB |
|-----------------|---------------|----|-----|------|----|
| Cleveland | 80 | 60 | 600 | 4 | |
| Toronto | 72 | 70 | 474 | 14 | |
| San Diego | 69 | 69 | 450 | 17 | |
| San Francisco | 68 | 70 | 440 | 18 | |
| Los Angeles | 67 | 71 | 430 | 19 | |

| AMERICAN LEAGUE | EAST DIVISION | W | L | Pct. | GB |
|-----------------|---------------|----|-----|------|----|
| Los Angeles | 91 | 53 | 632 | | |
| San Francisco | 78 | 66 | 542 | 13 | |
| Los Angeles | 72 | 72 | 500 | 19 | |
| Colorado | 67 | 78 | 462 | 24½ | |
| Arizona | 58 | 87 | 400 | 33½ | |

| NATIONAL LEAGUE | WEST DIVISION | W | L | Pct. | GB |
|-----------------|---------------|----|-----|------|----|
| Cleveland | 80 | 60 | 600 | 4 | |
| Toronto | 72 | 70 | 474 | 14 | |
| San Diego | 69 | 69 | 450 | 17 | |
| San Francisco | 68 | 70 | 440 | 18 | |
| Los Angeles | 67 | 71 | 430 | 19 | |

| NATIONAL LEAGUE | EAST DIVISION | W | L | Pct. | GB |
|-----------------|---------------|----|-----|------|----|
| Los Angeles | 91 | 53 | 632 | | |
| San Francisco | 78 | 66 | 542 | 13 | |
| Los Angeles | 72 | 72 | 500 | 19 | |
| Colorado | 67 | 78 | 462 | 24½ | |
| Arizona | 58 | 87 | 400 | 33½ | |

CYCLING

TOUR OF SPAIN

| Placings Tuesday in TRLS (108 miles) 4th leg from Malaga to Granada. | W | L | Pct. | PP | PA |
|--|---|---|-------|----|----|
| 1. Fabrice Goulet, F. Polt, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 2. Giovanni Lombardi, F. Polt, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 3. Jeroen Blijlevens, Netherlands, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 4. Marcel Wüst, Germany, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 5. Angel Edo, Spain, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 6. Alessandro Bertoldi, Italy, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 7. Cristian Moreni, Italy, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 8. Sergio Simonini, Italy, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 9. Laurent Jalabert, France, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 10. Philippe Gaumont, France, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 11. J. G. Garcia, Spain, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 12. J. G. Garcia, Spain, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 13. J. G. Garcia, Spain, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 14. J. G. Garcia, Spain, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 15. J. G. Garcia, Spain, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 16. J. G. Garcia, Spain, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 17. J. G. Garcia, Spain, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 18. J. G. Garcia, Spain, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 19. J. G. Garcia, Spain, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |
| 20. J. G. Garcia, Spain, 4 h, 23 m, 23 sec. | 1 | 0 | 1.000 | 38 | 10 |

RECRUITMENT

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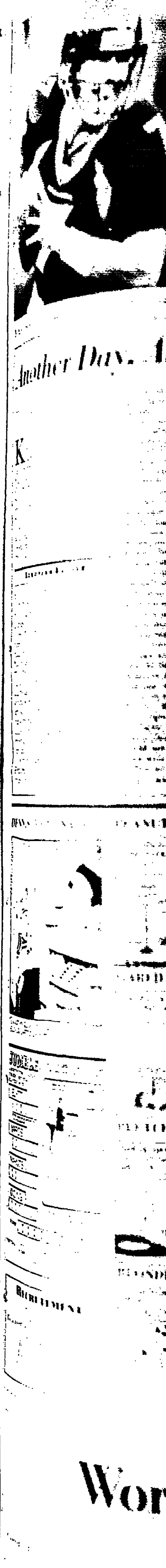
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OBSERVER

Farewell to a Friend

By Russell Baker

NEW YORK — Allen Drury died last week, on his 80th birthday. He had a keen eye for newspaper clichés, so I refrain from calling him "the father of the Washington novel." Still, his "Advise and Consent" is probably the best Washington novel there ever was, and its success inspired other reporters to produce a spate of novels in the same style, a couple of which were not bad.

Both of us came to The Times in 1954 with over-inflated expectations. These had been raised by James (Sooty) Reston, who ran the Washington Bureau and had hired us. Afterward we laughed a bit sourly about Sooty's power, when the hiring was going on, to "take you to the top of the mountain" and show you an improbably glorious future on The Times.

Allen had a reputation as an elegant writer. Reston was then trying to persuade The Times to write plain English, and it was assumed that Allen was brought in to promote this campaign.

He tried. The results depressed him. In those days plain English was under suspicion at The Times. Allen was soon finding his pieces being melted down into gray lead or being asked to rewrite them in minkier English.

We both covered the Senate, and I quickly noticed that he had given up the struggle to get to the top of the mountain. If conscientious but dull was what the paper wanted, dull and conscientious was what he would give them.

After a while I noticed that Allen was getting his work done and was ready to leave

the office at the earliest permissible minute each day. One day in 1958 I learned why. Before leaving the office, he lifted a big cardboard box from the floor, sat it on my desk and said, "I've written a novel." He hoped I'd read it. I groaned silently, the way you groan when a friend who has never written more than a postcard asks you to read this book he's been working on and tell him what you think. What lies I would be compelled to tell poor Allen. I took the box home, ate, fixed a drink, sat down and with a heavy heart reached in.

Good Lord! Couldn't put the thing down! I read half the book that night and finished it next day. My wife finished close behind, and the sight of her suppressing a tear at one point confirmed my hunch.

Next day, handing the box back to Allen, I said, "You're going to make a million dollars." He made a good bit more, I heard.

His success irritated book reviewers of the liberal stripe. Allen had based his corrupt Senator on Joseph McCarthy, a Red-baiting conservative, but made him a mirror image of McCarthy — a leftist demagogue. There was a Cold War theme, and Allen's sympathy obviously lay with the cold warriors. The great cold warriors of course were Democrats like Truman and Acheson, but Allen, I believe, was an admirer of Senator Robert Taft, who seems to have been the model for his Senator Knox.

Eager to be helpful, I told him that the proper term was "advice and consent" and suggested he might correct his title. A better reporter than I, he suggested I check the Constitution.

New York Times Service

The Russian Spy Who Shadows David McCallum

By Jesse McKinley
New York Times Service

NEW YORK — As paranoid as it sounds, David McCallum is absolutely certain he is being shadowed by a Russian agent.

"He's there every day," McCallum said in a stage whisper as he peered over a pair of sunglasses. "I mean, it's been 30 years, but I can't escape him. Ilya Kuryakin is there 24 hours a day."

McCallum's suspicions may be correct. For nearly 30 years, he has been an almost constant presence in television, film and onstage, a lifelong character actor whose career ranges from Ibsen to B-movies and who has played parts from Judas Iscariot in the biblical epic "The Greatest Story Ever Told" to a kindly uncle in the forthcoming independent film "Cherry."

But the role for which most fans remember him is that of Kuryakin, the brooding, mysterious Russian operative in the 1960s joke-and-dagger spy series "The Man From U.N.C.L.E."

"The whole idea was that you knew nothing about him: gay or straight or married, who knew?" McCallum, now 64, said. "I suppose it was effective."

McCallum's current assignment is playing Harold Palmer, the befuddled security guard in Alan Ayckbourn's comedy "Communicating Doors" at the Variety Arts Theater. The play is his second in a New York theater this year after an absence of nearly a decade: in May he appeared in a revival of "Nasty Little Secrets" at Primary Stages.

As has often been the case in his career, McCallum has received positive reviews despite critics' generally mixed feelings about the Ayckbourn production. Of McCallum's performance in "Communicating Doors," Peter Marks wrote in The New York Times: "You find yourself wishing that he could have played all the male parts."

McCallum's ability to stand out has served him well in a career spiced with B-movie credits like

"Frankenstein: The True Story," "The Screaming Skull" and something called "The Haunting of Morella." Still, barely a review goes by that doesn't mention his former life as a secret agent.

"When I just put the last couple of years in my theater bio, people object and think I'm hiding him, hiding Ilya," he said with a note of wonder. "It's not that at all. I'm not listing stuff from three decades ago. I mean, there's limited space."

His current biography does not refer to the show, but that hasn't fooled audiences. On opening night, at least one older fan showed up clutching an Ilya Kuryakin T-shirt.

"I had never seen the show, so I wasn't prepared for the phenomenon," said Mary Louise Parker, McCallum's co-star in the play. "He's this quiet, thoughtful, sweet man with this perfect air of refinement. But when he comes onstage, the ladies in the front row literally start to swoon."

A native Scotsman, McCallum trained as a teenager after World War II at the Royal Academy of Dramatic Arts in London before being drafted into the British Army and serving in West Africa in the Gold Coast, now part of Ghana.

After his tour, he returned to London and quickly signed a contract with the Rank organization, the venerable British production company, where he estimates he played "52 roles a year" in live television plays.

He also began a fledgling film career. By 1963, he had an impressive résumé, including parts in "The Great Escape," "Robbery Under Arms" and "A Night to Remember," a role that led to voiceovers on Titanic documentaries and other suitably spooky material.

It also led to "U.N.C.L.E." For the uninitiated, "The Man From U.N.C.L.E." was a takedown on James Bond that was broadcast on NBC from 1964 to 1968. The series starred Robert Vaughn as Napoleon Solo and McCallum as his partner, both agents at the United Network Command for Law and



David McCallum: "It's been 30 years, but I can't escape him."

Enforcement who continually did battle with the evil forces of T.H.R.U.S.H. (the acronymically fantastic Technical Hierarchy for the Removal of Undesirables and the Subjugation of Humanity).

"I'd never heard of the word sidekick before," McCallum said, recalling the early days of the program. "The first episode I had about four lines and an accent."

Despite lukewarm reviews, the show was a success with audiences; McCallum, meanwhile, managed to land gravitas to lines like: "Almost. Almost is a word that sticks in the throat like failure."

In 1965, at the peak of the show's popularity, McCallum was surrounded by 2,000 students at Louisiana State University and had to be

evacuated by a phalanx of police officers. Another time, 15,000 fans screaming "We Want David!" tore apart two floors of Macy's clamoring for a look at him.

And TV Guide reported an alarming incident in Springfield, Illinois, when 500 teenage fans cheered McCallum's entrance as Judas in "The Greatest Story Ever Told," released in 1965.

McCallum was stunned by the attention. "There was a cartoon around then with me in it, saying I was the greatest thing since peanut butter and jelly," he said. "Can you imagine higher praise?"

The role earned McCallum two Emmy nominations, and he appeared in the six feature films based on the series. The show also led to

one short-lived spinoff, "The Girl From U.N.C.L.E.," and too many-to-remember requests for McCallum to play spies. "It was all Russian accents, gray suits and soft gray shoes," he said.

By the time the show was canceled, McCallum was burned out. His nine-year marriage to the actress Jill Ireland ended in divorce in 1967, and a year later, with his new wife, Katherine, he moved to New York.

"I figured I'd made enough of a spectacle of myself," he said. Slowly his life and career returned to normal with a string of steady if less glamorous acting assignments, voice-overs and television appearances.

McCallum and his wife still live in Manhattan. They have two grown children. McCallum also had three children with Ireland; one, Jason, died of a drug overdose in 1989.

His child's addiction was chronicled in a book by Ireland called "Life Lines," which was made into a television movie in 1991.

"Some things are sent simply to test you," he said quietly. While he has worked steadily in regional theater, before this year he had not acted on stage in New York since 1988, when he appeared in Ibsen's "Ghosts" at the Roundabout Theater.

For a long time, McCallum said, he didn't like talking about "U.N.C.L.E.," but he has relented. The show, too, has had something of a comeback since the cable network TNT began showing late-night installments, or "Affairs," as they're known to devotees of the show. There's even talk of a feature film based on the series, directed by Quentin Tarantino.

Though McCallum is stumped by Ilya's continuing appeal, he finds the craft of acting less mysterious.

"You get the part, you learn the lines and in the theater you listen to the other actors more than you talk," he said. "And then when you get onstage, you listen to the audience. Beyond that, I don't think there's really much else."



The director Steven Spielberg with a Normandy landing veteran, Charlie Haywood, left, at the premiere of "Saving Private Ryan" in London.

THE comedian Jerry Seinfeld, who held out for a million dollars a week and then pulled the plug on his television show, tops Forbes magazine's annual ranking of highest paid entertainers, earning \$225 million this year. Seinfeld's comedian friend Larry David, with whom he dreamed up the wildly popular show, was second on the list at \$200 million. Seinfeld and David knocked perennial big earners like Steven Spielberg and Oprah Winfrey from the top spots on the list. They slipped to third and fourth places, respectively, with \$175 million and \$125 million, and were followed by James Cameron, the writer-director-producer of the blockbuster film "Titanic."

Barbra Streisand is talking with the director Mike Nichols about staging her "final" world concert tour, according to the New York Post. Nichols, who directed "The Graduate" and "Primary Colors," among other films, plans to piece together a movie of the tour if the deal goes through, the Post reported.

Streisand's handlers said the singer was "considering several possibilities" to perform again.

Joyce Maynard isn't shy about revealing private details about her life. The author, whose new book documents her affair with the reclusive writer J.D.

Salinger, has documented her eating disorders, a failed marriage and her breast implants in a syndicated newspaper column and a Web site. In the book, "At Home in the World," Maynard says she fell in love with Salinger's writing voice when they started corresponding when she was 18. "If you can imagine the effect of the voice of

Holden Caulfield, then imagine Holden Caulfield sending you letters every day to your college mailbox," she said, referring to the narrator in Salinger's "The Catcher in the Rye."

Steven Spielberg, who directed the Holocaust epic "Schindler's List," will be honored by President Roman Herzog of Germany this week and will also visit the Sachsenhausen concentration camp, north of Berlin, his agents said. Spielberg will receive the Cross of Merit for that film and for creating a foundation that collects accounts of Holocaust survivors from around the world.

Jerry Lewis's 33d annual-muscular dystrophy telethon raised a record \$51.57 million during a 21.5-hour event featuring musicians, magicians and comedians. Last year, \$50.5 million was raised. Among those who performed were Ray Charles, Chuck Mangione, Bill Mather, Bob Zany and Carrot Top.

PEOPLE

Foundation Searches for Anne Frank Film

The Associated Press

AMSTERDAM — The Anne Frank Foundation has revealed that it has been searching for years for lost film footage that included a few fleeting glimpses of Anne before she went into hiding from the Nazis.

Although copies exist, the foundation disclosed that the original of the black-and-white silent segment disappeared after it was lent to an unidentified American filmmaker in the 1980s for a documentary about the young Jewish diarist.

The foundation realized the reel was missing in 1995 but kept the embarrassing disappearance under wraps until last weekend, when the Dutch television newsmagazine Network reported the loss. The footage, shot in 1941 before Anne and her family went into hiding, was made by an amateur cameraman who was filming the wedding of Anne's neighbors.



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